

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

**IN RE: 2024 RENEWABLE ENERGY** :  
**STANDARD (RES) PROCUREMENT PLAN** : **DOCKET NO. 24-08-EL**  
**2024 RES CHARGE AND RECONCILIATION** :

**ORDER**

The Rhode Island Renewable Energy Standard (RES) was enacted in 2004 as Chapter 39-26 of Rhode Island General Laws and requires the State’s retail electricity providers (referred to as Obligated Entities), excluding Pascoag Utility District and Block Island Power Company, to supply a defined proportion of their annual retail electricity sales from Eligible Renewable Energy Resources. The Narragansett Electric Company d/b/a Rhode Island Energy (RI Energy or Company) is an Obligated Entity subject to the Renewable Energy Standard. To comply with the RES in 2024, RI Energy will be required to obtain at least 28% of the electricity they sell at retail to Rhode Island end-use customers, adjusted for electric line losses, from eligible renewable energy resources.<sup>1</sup>

RI Energy is authorized to collect a Renewable Energy Standard (RES) charge from distribution customers to recover the estimated costs associated with its annual compliance with the RES.<sup>2</sup> On February 27, 2024, RI Energy filed with the Public Utilities Commission (Commission or PUC) a proposed RES charge of \$0.012/kWh for effect on April 1, 2024,<sup>3</sup> an increase over the current RES charge of \$0.00833/kWh.<sup>4</sup> The bill impact of this proposed RES charge on a typical residential customer consuming 500/kWh per month is an increase of \$1.90.<sup>5</sup>

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<sup>1</sup> The law allows up to 2% of the total to be met with Existing RECs, those produced by eligible renewable resources in existence prior to December 31, 1997.

<sup>2</sup> R.I. Gen. Laws § 39-26-4, § 39-26-6(b).

<sup>3</sup> RI Energy Filing, Attach 1 (Feb. 27, 2024). All filings in this matter are available on the PUC’s website at <https://ripuc.ri.gov/Docket-24-08-EL> or at the PUC’s offices at 89 Jefferson Blvd., Warwick, RI.

<sup>4</sup> RI Energy Filing, Attach. 3 to filing at 1.

<sup>5</sup> *Id.*

The proposed RES charge is based on National Grid's estimated costs for the 2024 RES obligation year and reconciliation of an under-recovery of costs from the 2022 and 2023 RES obligation years. National Grid estimated an under-recovery for 2022 of approximately \$1.4 million and an under-recovery for 2023 of approximately \$1.6 million.<sup>6</sup> The Company estimated the 2024 incremental RES cost to be \$10.27/MWh using a market-based, estimated New REC cost of \$39.15 and estimated Existing REC cost of \$0.09.<sup>7</sup>

On March 13, 2024, the Division of Public Utilities and Carriers (Division) submitted a memorandum authored by its consultants, James Rouland and Aliea Afnan Munger of Daymark Energy Advisors. The consultants summarized the filing, reviewed the reasonableness of the estimated market prices for the RECs, and confirmed the calculation of the factor and reconciliation factor. The consultants recommended approval of the RES charge as filed.<sup>8</sup>

At an Open Meeting conducted on March 26, 2024, the Commission reviewed the filings, and approved the proposed RES charge, finding it to be consistent with the Company's tariff and Commission regulations.

Accordingly, it is hereby

(24968) ORDERED:

The proposed 2024 RES charge of \$0.012/kWh filed by The Narragansett Electric Company d/b/a Rhode Island Energy is approved for effect on April 1, 2024.

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<sup>6</sup> Attach. 1 to filing at 2. The 2015 RES obligation year ends June 15, 2016. Letter of Jennifer Brooks Hutchinson at 2.

<sup>7</sup> Attach. 1 to filing at 1; R.I. Gen. Laws §39-26-4(a).

<sup>8</sup> Div. Mem. (Mar. 13, 2024).

EFFECTIVE AT WARWICK, RHODE ISLAND, ON APRIL 1, 2024, PURSUANT TO AN OPEN MEETING DECISIONS ON MARCH 26, 2024. WRITTEN ORDER ISSUED APRIL 1, 2024.



PUBLIC UTILITIES COMMISSION

*Ronald T. Gerwatowski*

Ronald T. Gerwatowski, Chairman

*Abigail Anthony*

Abigail Anthony, Commissioner

*John C. Revens, Jr.*

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 Commission may, within 7 days from the date of the Order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or Order.