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Public Utilities Commission
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**Re: Attorney General’s Initial Comments on Commencement of Docket In Re:
Investigation into the Current State of Voluntary and Mandated Renewable
Energy Markets in Rhode Island**

Dear Public Utilities Commission:

The following initial comments are provided by the Attorney General of the State of Rhode Island (“Attorney General”) with respect to the *Notice of Commencement* provided by the Public Utilities Commission (“Commission”) in the above-referenced Docket.

The Attorney General supports and looks forward to participation in the proposed stakeholder engagement process and investigation into the potential impacts of crediting certain voluntary renewable energy certificates (RECs) towards compliance with the State’s Renewable Energy Standard (RES).

Pursuant to the RES, Rhode Island must increasingly commit to procuring renewable energy to reach 100% renewable energy by 2033. Meeting Rhode Island’s RES is not only a legal requirement imposed on the State, *see* Rhode Island General Laws § 36-26-1 et. seq. (the “RES Act”), but an important vehicle for moving the State toward meeting the mandated greenhouse gas emission reductions imposed by the Act on Climate as the state works towards net zero emissions by 2050.

As explained in the notice, this docket is being opened in furtherance of a Commission report statutorily required by the RES Act. *See* Rhode Island General Laws § 36-26-4(c). Accordingly, the process should respect the intentions of the legislature in creating and updating the RES. Rhode Island General Laws § 36-26-2 articulates that purpose as follows:

[...] to define renewable energy resources and to facilitate the development of new renewable energy resources to supply electricity to customers in Rhode Island with goals of stabilizing long-term energy prices, enhancing environmental quality, and creating jobs in Rhode Island in the renewable energy sector.

Therefore, it is essential to consider ways to support clean and renewable energy, while remaining sensitive to rising energy costs for Rhode Islanders.

It should also be noted that there is considerable expense related to RES compliance, as evidenced by the significant increase in Rhode Island Energy's approved RES Charge this current rate year. *See e.g.* Commission Docket 24-31-EL, Proposed Last Resort Service Winter Rates for Effect October 1, 2024 (evidencing an increase in the RES charge of approximately 44% year over year).

However, we cannot sacrifice environmental gains that will aid Rhode Islanders for generations for the benefit of easier and cheaper methods of technical compliance in the immediate. Any new voluntary RECs that might be counted towards RES compliance must be held to the same high standards as current mandatory RECs to ensure that the State continues to advance clean local energy. As such, any recommendations included in the Commission's report should be clear that no RECs should be counted towards the RES unless they are subject to the same current standards and certification requirements provided for under the current framework.¹

RES Implementation Rule 2.5 sets forth the strict criteria for qualifying RECs. Obligated entities, such as distribution companies and competitive electric suppliers, are required to procure RECs that are generated and/or consumed regionally and meet standards outlined by the experts in this area, New England Power Pool Generation Information System ("NEPOOL GIS") and ISO New England. *Id.* For instance, NEPOOL GIS requires a careful registration process and provides for thorough tracking of retired RECs to ensure that only qualified non-retired RECs are counted towards state compliance throughout the region. Moreover, certification is only granted after careful Commission review and approval. *See* RES Implementation Rule 2.6. Consideration of voluntary RECs must also continue to ensure that RECs used for compliance in Rhode Island, cannot be used similarly and double counted to meet compliance requirements in other states. *See e.g.* RES Implementation Rule 2.8(A). These safeguards cannot be lost, and only upon assurance that these same standards and review/reporting requirements can be maintained should voluntary RECs be considered for RES compliance.

As highlighted in the proposed scope for this Docket, the Commission should use this opportunity to carefully examine and shed light on current REC purchasing in Rhode Island, as well as the potential impact of counting voluntary RECs toward RES compliance. This review must also be

¹ The Commission has issued and amended rules to implement the RES and ensure compliance by the obligated entities falling under its purview. Those rules were most recently amended in Commission Docket No. 24-11-RM in response to statutory changes enacted on June 27, 2022, and became effective on May 28, 2024. *See* Final Rules, 810-RICR-40-05-2 (the "RES Implementation Rules"); (available at <https://ripuc.ecms.ri.gov/sites/g/files/xkgbur841/files/2024-06/RES%20Rules%20-%20Final%20effective%205-28-2024.pdf>).

conducted in light of the Act on Climate and the dire need to combat climate change here in the Ocean State. However, unless voluntary RECs can be tracked accurately and guaranteed to provide equal net environmental benefits as currently accepted RECs, the PUC should not recommend changing the current statutory and administrative framework.

Sincerely,

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