

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: BLOCK ISLAND UTILITY DISTRICT :
NET METERING TARIFF ADVICE : **DOCKET NO. 25-02-EL**

ORDER

On May 17, 2023, the Public Utilities Commission (Commission) issued Order No. 24659, reflecting the approval of two net metering tariffs for Block Island Utility District (BIUD or Company).¹ The Legacy Net Metering Tariff applies to customers who had “Net Metering Systems installed and connected prior to December 31, 2020 under the terms of the legacy Block Island Company Net Metering Policy most recently dated January 1, 2018.”² The Net Metering Tariff applies to customers who have “Net Metering Systems installed after December 21, 2020 and to Net Metering Systems installed on or before December 31, 2020 when the consumer/member replaces, or upgrades which increases the rated nameplate DC output of the Net Metering System.”³

On January 8, 2025, BIUD filed a Tariff Advice to amend certain terms of the Net Metering Tariff and to propose a tariff name change from “Net Metering” to “Avoided Cost/Feed In Tariff.” The Company did not provide a rationale for the name change. BIUD proposed to raise the existing cap of 10% of BIUD’s most recent annual peak load to a higher cap of 15% of BIUD’s most recent annual peak load. The Company explained that there are no operational concerns associated with raising the cap to 15%. Even during periods of low load, the additional capacity would not pose a

¹ Order No. 24659 (May 17, 2023); https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-05/5192-BIUD-NM-Ord24659_5-17-23.pdf.

² RIPUC No. 5192-A (Legacy Net Metering Tariff) (Eff. Dec, 22, 2022); <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-03/5192-BIUD-Approved-LegacyNetMeteringTariff.pdf>.

³ RIPUC No. 5192 (Net Metering Tariff).

risk of back feeding onto the submarine cable.^{4,5} BIUD also proposed to adjust maximum allowable capacity of any one project from “10% of the remaining net metering capacity at the time the application is submitted” to “30 kW, based on nameplate capacity.” The Company indicated that the existing maximum size based on “10% of the remaining capacity” has been challenging to administer. The objective of this limit was to ensure equitable access to the program and prevent large members from monopolizing available capacity. A 30-kW cap aligns with BIUD’s goals while providing a clear guideline for developers.⁶

Following an exchange of discovery, on January 21, 2025, the Division of Public Utilities submitted a Memorandum from Utility Analyst AI Contente, which summarized the record and recommended approval.⁷

On January 23, 2025, the Commission considered the filings and approved all proposed amendments except the name change. First, the question of whether BIUD’s Net Metering Tariff is actually a net metering structure was resolved in Order No. 24659, where the Commission rejected claims that it was not.⁸ Second, a net metering tariff and feed-in tariff have different structures and BIUD’s Net Metering Tariff is not a Feed-In Tariff under generally accepted definitions. Typically, a Feed-In Tariff provides a fixed-price for generation over a fixed period of time. Rhode Island Energy’s Renewable Energy Growth Program and Distributed Generation Standard Contracts are examples of Feed-In Tariffs in Rhode Island. Their enrollment rules and

⁴ Filing Letter at 1-2; All filings in this docket can be viewed on the Commission’s website at:

<https://ripuc.ri.gov/Docket-25-02-EL> or at the Commission’s offices, 89 Jefferson Blvd., Warwick, RI 02888.

⁵ R.I. Gen. Laws § 39-26.4-3(a)(1)(iv) provides that the aggregate amount of net metering in the Block Island Utility District doing business as Block Island Power Company and the Pascoag Utility District shall not exceed a maximum percentage of peak load for each utility district as set by the utility district based on its operational characteristics, subject to commission approval.

⁶ Filing Letter at 2.

⁷ Content Mem. (Jan. 21, 2025).

⁸ Order No. 24659 at 14-17.

payment compensation structures differ significantly from BIUD's Net Metering Tariff which provides for a changing payment rate as long as the customer's facility is enrolled.

Finally, this is not an "avoided cost" tariff. Tariff names typically describe the service provided, not how a rate is calculated. The avoided cost refers to rate calculation, not the program itself. The Net Metering label appropriately describes the program and includes the rate calculation for participants. BIUD provided no compelling evidence to the contrary.

Accordingly, it is hereby,

(25246) ORDERED:

1. Block Island Utility District's Net Metering Tariff amendments are approved, except for the proposed name change, for effect February 7, 2025.
2. Block Island Utility District shall make a compliance filing prior to February 7, 2025.

EFFECTIVE AT WARWICK, RHODE ISLAND ON FEBRUARY 7, 2025, PURSUANT TO AN OPEN MEETING DECISION ON JANUARY 23, 2025. WRITTEN ORDER ISSUED JANUARY 27, 2025.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski, Chairperson



Abigail Anthony, 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.