

**JOINT REBUTTAL TESTIMONY OF JIM KENNERLY AND TOBIN ARMSTRONG,
SUSTAINABLE ENERGY ADVANTAGE, LLC**

FEBRUARY 5, 2025

I. INTRODUCTION

Q: Mr. Armstrong, please state your name, employer, and title.

A: My name is Tobin Armstrong. I am a Consultant at Sustainable Energy Advantage, LLC (“SEA”).

Q: Mr. Kennerly, please state your name, employer and title.

A: My name is Jim Kennerly. I am a Director at Sustainable Energy Advantage, LLC (“SEA”).

Q: Have both of you submitted other testimony in Docket 24-50-REG?

A: Yes, we filed Direct Testimony on November 22, 2024, and an amendment to that Direct Testimony on December 20, 2024.

Q: What is the purpose of your Rebuttal Testimony?

A: The purpose of our Rebuttal Testimony is to answer the Direct Testimony of the Division of Public Utilities and Carriers’ Witness, Mr. Michael Brennan (hereafter “DPUC” and “Mr. Brennan”, respectively) and the Direct Testimony of Rhode Island Energy’s Witness, Ms. Kimberly Gauntner (hereafter RI Energy and “Ms. Gauntner”, respectively).

II. MEGAWATT (MW) ALLOCATION PLAN

A. RI Energy Cost and Bill Impact Analyses of Megawatt Allocation Plan Provided to DG Board

Q: In her testimony, did Ms. Gauntner submit various cost and bill impact analysis associated with the recommended Plan that were provided to the DG Board for its November 4, 2024 meeting?

A: Yes, she did. These analyses, which were shared with the DG Board on November 4, 2024, are attached to her testimony as Schedule RIE-8.

Q: What did RI Energy state were its objectives in providing this information to the DG Board?

A: On p. 2 of 12 of RIE-8, RI Energy states that its objective was to “provide data and insight into the 2025 Renewable Energy Growth Program Year costs and MW enrollment targets.”

Q: What specific quantitative analysis did RI Energy provide of the proposed Megawatt Allocation Plan?

A: On pp. 3-4 of 12 of RIE-8, RI Energy provides what it claims to be the annual program cost, the estimated value of market products, and annual net costs to customers of “*SEA’s* PY2025 Fully Subscribed Costs: Plan A” and “*SEA’s* PY2025 Fully Subscribed Costs: Plan B” [*emphasis added*]. Later in the same presentation, the company provided its forecast of residential customer bill impacts associated with the program through to its statutory end in 2033 *assuming proposed 2025 PBI levels*.

Q: Do OER and SEA have any recommendations for how some of the information in Schedule RIE-8 could be more clearly presented to the Board?

A: While OER nor SEA welcome the company sharing cost estimates with the DG Board prior to its vote to recommend the annual program plan (as it has been requested to by the PUC), OER and SEA would request that the data backing such cost estimates (including both tariff cost and the value of market products) be provided in advance of the meeting as well. OER views this request as important because SEA's estimates (as derived from the 2024 New England Avoided Energy Supply Cost study) differ significantly from the company's, and it was unclear to OER and SEA at the time of the November 4 Board meeting why this was the case. Though SEA can generally deduce the methodology behind the tariff cost calculations undertaken in spreadsheets that informed these tables, it is impossible for SEA to ascertain, for instance, what RIE's detailed assumptions were as to the value of market products used to calculate the net cost to customers. OER and SEA do note that during this year's development process, it was not feasible to deliver final recommendations earlier than one week prior to the DG Board Meeting, and so this request should not be interpreted as a complaint regarding RI Energy's conduct during this year's process.

In program years where the development cycle is not compressed, OER will coordinate SEA's efforts to deliver the final plan with sufficient time to allow RI Energy to supply OER and the Board with a complete account of the calculations and assumptions (preferably in a fully functional Excel spreadsheet) that the company utilizes to provide tariff cost estimates associated with these tables a minimum of one week prior to the meeting for its review. If development of a program plan does fall under a compressed cycle, OER will provide notice and work to clarify reasonable timeframes for

planning milestones and delivery of materials with the company, DPUC and other stakeholders.

Q: Did OER and SEA identify any concerns with how the bill impacts associated with Plans A and B were presented to the Board, as shown in Schedule RIE-8?

A: Yes. While, again, neither OER nor SEA object to the company presenting analysis to the Board prior to the program recommendation vote pursuant to the Commission's requests, OER and SEA are concerned that bill impact analyses like the one included in Schedule RIE-8 extrapolate beyond the program plan the Board is being asked to consider for approval. OER and SEA found this concerning since the Board is only being asked to consider their recommendation for the plan for the *forthcoming program year only*.

Critically, bill impacts associated with the 2026 program year plan (and any years thereafter until its post-2033 program year statutory sunset) are based on plans that are subject to development each year in a process overseen by OER and the Board, and the Commission's own discretion regarding final approval of the recommended program plan. Furthermore, it is SEA's expert opinion that it is very unlikely that 2025 proposed performance-based incentive (PBI) levels will serve as an appropriate proxy for the cost of the program for eight consecutive years thereafter, and agrees with OER that presenting such assumptions to the Board as a *de facto* base case is potentially fraught.

As such, OER respectfully requests that in the future, if the company wishes to provide a bill impact analysis for the Board's consideration, it should (like SEA) only provide such an analysis for the program plan for which the Board is being asked to

consider and approve the plan for. Lastly, OER appreciates that RI Energy included cases that reflected both historical enrollment levels (reflecting typical selection and attrition rates) *and* full enrollment levels in Schedule RIE-8 and would request that such cases continue to be presented to the DG Board going forward to always communicate a range that includes an average *and* upper bound cost forecast.

B. Capacity Allocation

Q: Did the testimony of Ms. Gauntner on behalf of Rhode Island Energy and of Mr. Brennan of the DPUC touch upon the allocations by renewable energy class contained in the proposed Megawatt Allocation Plan?

A: Yes, both Ms. Gauntner and Mr. Brennan recommend reducing the capacity allocation for projects less than 1 MW_{DC} to 30 MW_{DC} – the minimum allocation required by the Renewable Energy Growth Act – from 38.5 MW_{DC}.

Q: What assertions do Ms. Gauntner of RI Energy and Mr. Brennan of the DPUC provide in support of this change?

A: In her testimony, Ms. Gauntner specifically cited lower actual enrollment levels relative to capacity allocations. While Ms. Gauntner did not specifically cite the cost of the allocation in her testimony as the company's reason for opposing the DG Board's recommended plan, her testimony did include several figures sourced from Schedules that cited total tariff costs and total bill impacts associated with the REG program.

In his testimony, Mr. Brennan of the DPUC largely echoed Ms. Gauntner's reasoning, along with RI Energy's estimates of program costs and SEA's benefit-cost

analysis as reasons to reject the MW Allocation Plan as proposed and replace it with one that allocates only 30 MW_{DC} to projects less than 1 MW_{DC}.

Q: Why did the DG Board recommend to the PUC a plan with capacity for Solar renewable energy class projects less than or equal to 1 MW_{DC} in excess of the statutory minimum capacity?

A: As discussed on p. 12 of **SEA Schedule 3** (SEA’s November 4, 2024, presentation to the DG Board), OER recommended the Board adopt a 38.5 MW allocation for under 1 MW_{DC} projects, given the ongoing severe interconnection delays associated with projects greater than or equal to 1 MW_{DC}, especially those in the Affected System Operator (“ASO”) process, since such projects are least likely to face challenges due to siting and interconnection. Furthermore, both OER and SEA expect development focus will shift to projects under 1 MW given the 2023 solar siting law, which bans development on core forests. Considering these dynamics, SEA is concerned that placing a greater emphasis on projects over 1 MW_{DC} will cause the program to experience a higher overall rate of attrition and be less effective in meeting the renewable development objectives of the program.

Q: In light of the above reasons why the DG Board recommended the Plan as filed, does SEA believe that the ratepayer cost concerns articulated by Mr. Brennan are a reasonable basis for reducing the allocation to projects less than 1 MW_{DC}?

A: SEA believes that this focus does not appropriately account for the *absolute* cost of the plan, given attrition dynamics or the need to position the program to meet statutory objectives. Even though projects larger than 1 MW_{DC} constitute a disproportionate share

of capacity in a Plan A scenario, a disproportionate degree of those projects greater than 1 MW_{DC} tend to fail to reach commercial operation, in significant part due to the interconnection and siting challenges mentioned above.

This increases the pressure on projects less than 1 MW_{DC} to deliver the capacity needed to drive renewable energy growth – the statutory purpose of the program.¹ On the other hand, it is clear from RI Energy’s historical data (and in other states in New England, for that matter) that projects less than 1 MW_{DC} are much less likely to be canceled because of the interconnection process or siting challenges than larger projects. Thus, OER and SEA see more significant overall risk to the effectiveness of the program in meeting its statutory objective to increase renewable energy growth in cutting the allocation for such smaller projects given that they are more likely to reach commercial operation than larger projects .

Q: Do OER and SEA agree with Ms. Gauntner of RI Energy that reduced recent enrollment in the 1 MW_{DC} categories justifies smaller allocations?

A: While OER and SEA agree with RI Energy that recent enrollment trends and ratepayer cost must be carefully considered in developing potential capacity allocations, OER and SEA do not see reduced enrollment relative to allocations as an inherently compelling reason to reduce future allocations given the expectation that development will shift to smaller projects given the recent solar siting law and ongoing interconnection

¹ OER notes that at the November 4, 2024, meeting at which the Plan was approved, the chair of the DG Board verbally stressed the importance of the statutory purpose of the program in choosing not to adopt the RI Energy-supported capacity allocation at its November 4, 2024, meeting, with which the remainder of the voting members of the Board agreed unanimously.

challenges for larger projects. If such capacity is not taken up by program participants, no costs are incurred by ratepayers, given that none of the capacity is carried forward to future program years.

Q: Thus, do OER and the DG Board continue to recommend a 38.5 MW allocation for projects less than 1 MW_{DC}?

A: Yes.

III. 2025 SMALL SOLAR I AND II PRICES

A. DPUC Recommendations Regarding Small Solar I and II Rates

Q: In his testimony, do Mr. Brennan and the DPUC recommend the approval of the Small Solar I and II Rates recommended by OER?

A: No. Mr. Brennan and the DPUC recommend that the PUC approve a price level equal to the pricing proposed in the stakeholder meeting on October 16, 2024 (33.85 cents/kWh for Small Solar I and 32.35 cents/kWh for Small Solar II).

Q: What is Mr. Brennan and the DPUC's reasoning behind this recommendation?

A: Mr. Brennan and the DPUC argue that the October 16 values should be adopted based on concerns with the adoption of revised financing inputs in the calculations producing OER's final recommendation and because of analysis presented by the DPUC regarding enrollment trends in the REG program as compared to Net Metering. Each of these topics are discussed in greater detail below.

B. DPUC Analysis of Small Solar I and II Enrollment Compared to Net Metering

Q: What is Mr. Brennan and the DPUC’s argument with respect to program enrollment as it pertains to Small Solar I and II prices?

A: Mr. Brennan and the DPUC argue that, because REG Small Solar I and II enrollment did not rebound following the adoption of increased incentives in Program Year 2024, this demonstrates that non-price factors are influencing program enrollment, such as the relative attractiveness of Net Metering as compared to the REG program. Mr. Brennan and the DPUC further argue that this finding implies the Small Solar I and II prices should not be increased in Program Year 2025.

Q: Can SEA be certain of all the non-price factors shaping Small Solar I and II enrollment?

A: No. While SEA agrees at a high level that non-price factors related to the interaction between net metering and the REG program for such projects likely play a role, we cannot say with certainty what the precise nature and contribution of those factors is without further investigation.

Q: Did SEA consider non-price factors during the 2025 Program Year development process?

A: Yes. During the 2024 program year development process, SEA shifted to utilizing median values from state installed cost databases, as opposed to the average of median and 25th percentile costs. This decision was informed by atypically low program enrollment in addition to clear and widely reported evidence that renewable energy development was facing significant challenges following the COVID-19 pandemic associated with supply chain disruption and cost inflation.

During the 2025 program year development process, SEA's understanding of non-price factors shaping program enrollment informed SEA and OER's decision keep the Small Solar I and II prices based on median costs reported through state installed cost databases, rather than suggesting further increases in the quartiles sampled to bolster program participation.

Q: Did SEA and OER recommend 2025 Small Solar I and II prices higher than 2024 Small Solar I and II prices to address low program participation?

A: No. The increase in 2025 Small Solar I and II prices relative to 2024 is a product of specific, evidence-based decisions regarding reasonable financing inputs for such projects, which are documented in extensive and transparent detail in the SEA Schedules attached to our Direct Testimony.

Q: Does SEA and OER have concerns regarding Mr. Brennan and the DPUC's argument that, given non-price factors, the Small Solar I and II prices should not be increased in Program Year 2025?

A: Yes, SEA and OER views Mr. Brennan and the DPUC's suggestion that the Small Solar I and II prices for 2025 should not be higher than the 2024 prices given these non-price factors as lacking an evidentiary basis. Specifically, OER and SEA maintain that REG prices should be set based on the merit of the individual inputs comprising the price calculation. OER and SEA maintain that the Small Solar I and II price should be designed to recover participant costs plus a reasonable rate of return, which is an outcome contingent on the adoption of prices derived through the application of reasonable cost, performance, and financing inputs for a given Renewable Energy Class. DPUC
Assertions Regarding Financing Costs

Q: What were the DPUC’s arguments regarding the financing inputs adopted by OER and SEA in the final recommended Small Solar I and II prices?

A: Mr. Brennan argued in his Direct Testimony that the prices the Board recommend to the PUC are 2 to 3 percent higher than those proposed in the final stakeholder meeting on October 16, 2024, and recommended that the final prices approved by the PUC should revert to the values presented as a draft for feedback at that stakeholder meeting, in part because the DPUC had not had an opportunity to comment on the final version approved by the DG Board. Mr. Brennan also implied that the price estimates were invalid because SEA (he alleges) only used the UMassFive offer to derive the input for the interest rate on term debt financing.

Q: Is the DPUC’s assertion that SEA relied upon a single source to develop revised financing inputs accurate?

A: No, it is not. As stated on p. 4 of **SEA Schedule 3**, “SEA met with a developer active in Small Solar in Rhode Island, and was provided with a confidential rate sheet from a competing lender to UMassFive which substantiated the UMassFive rates.”

Q: What are SEA’s concerns with respect to Mr. Brennan’s suggestion to adopt Small Solar I and II prices based on the financing inputs SEA utilized at the October 16 stakeholder meeting?

A: SEA is concerned that, after receiving more information from stakeholders during the rebuttal testimony development phase of Docket 23-44-REG and the 2025 program development process (when the UMass Five estimates were brought to SEA’s attention), the previous financing inputs did not properly reflect mass market solar financing offers

for host owners. Indeed, SEA discussed this concern in its Rebuttal Testimony in 23-44-REG when previously rebutting Mr. Brennan’s suggestion to adopt values even lower than the ones he suggests adopting at this time.

Q: What are the benefits of taking the approach SEA utilized in the prices recommended by OER?

SEA believes the approach ultimately taken for calculating the interest rate on term debt for Small Solar I and II projects is superior to the one presented on October 16, 2024, for several reasons:

- The basis of the previous estimate was not optimized for Small Solar I and II, since they were based on estimates provided by market participants with a portfolio of larger projects than Small Solar I and II. These projects represent a very different overall credit and repayment risk profile for a business rather than for mass market customers, and are based on averages of 10- and 20-year US Treasuries plus a risk premium of 325 basis points, rather than real and public solar loan offers like those from UMassFive.
- The rates do not incorporate a lender fee (often referred to as a “dealer fee”), and thus do not require SEA, for future program years, to track both dealer fees and typical consumer finance interest rates, which reduces risk that the estimate significantly differs from reality.
- As noted above, SEA verified the estimate as reasonable after consulting a confidential interest rate offer sheet for a mass market solar loan provider.

Q: Is the set of financing inputs adopted by OER in the final recommended Small Solar I and II prices reflective of offerings a typical mass market customer would likely be offered during the 2025 program year?

A: Yes.

Q: Did Mr. Brennan and the DPUC also take issue with the stakeholder process with respect to the final adopted financing inputs?

A: Yes. Mr. Brennan and the DPUC expressed concerns regarding a “lack of a fulsome stakeholder process” related to the revised financing inputs.

Q: Can SEA describe, in brief, the stakeholder process followed for developing the 2025 program plan?

A: Yes. While the 2025 program year development process was somewhat shorter in duration and included one fewer draft of prices than in the past as a result of the schedule compression (a result of OER’s need to formally procure new program design services through a request for proposal process in the spring/summer of 2024), the process had the same structure as in prior program years ceiling prices design process. Under this structure, OER authorizes SEA to circulate draft prices for stakeholder comment, consider changes based on stakeholder feedback, and make final changes ahead of the Board meeting in which the Board votes on the program plan *without* an additional round of review by the DPUC or any other stakeholder. This has been the case with all prior program year plans that have been voted on by the Board in late fall.

Q: Can SEA verify that the DPUC and Mr. Brennan were given notice of OER and SEA’s anticipated activities related to the 2025 program year development process?

A: Yes, we can, per SEA Rebuttal Schedule 1.

Q: Could SEA please describe the contents of SEA Rebuttal Schedule 1?

A: **SEA Rebuttal Schedule 1** contains an email message sent to OER and SEA's stakeholder email list. In it, Mr. Armstrong stated that SEA would hold only two stakeholder sessions regarding the 2025 program plan. The email provided notice that the first session would pertain to the development of an adder pilot proposal and would take place on September 10, 2024, and that the second session would pertain to Small Solar I and II pricing and would take place October 16, 2024.

Q: Can SEA verify that Mr. Brennan and members of DPUC staff were blind copied on this message, along with several hundred other stakeholders?

A: Yes, SEA has verified that the messages were sent to email accounts belonging to Mr. Brennan and several DPUC staff members.

Q: Given SEA Rebuttal Schedule 1, is it fair to say that Mr. Brennan and the DPUC were given notice of the 2025 program plan development schedule, as propagated by SEA, on behalf of OER and the Board, at the start of the process?

A: Yes.

Q: In the October 16, 2024, stakeholder meeting, did SEA note that it would be seeking further data and inputs related to financing costs following that final stakeholder meeting?

A: Yes, on p. 12 of **SEA Schedule 2**, SEA states (and stated during the meeting) that while, at the time of writing the presentation, interest rates on 10 and 20-year treasury bonds had fallen by over 100 basis points relative to the inputs assumed for 2025 during the 2024 ceiling price development process, SEA has not seen reduced rates in lenders that offer public rate quotes for loans Small Solar I and II projects are eligible for. To that

end, SEA stated that while it chose to temporarily continue to use interest rates assumed during the 2024 program year development process for that specific draft of the Small Solar I and II prices, it was requesting feedback from stakeholders regarding current actual finance offers to consumers looking to borrow money for a solar project and planned to “update assumptions accordingly.”

Q: Have changes been made to modeling inputs between the final stakeholder meeting and the presentation of the proposed recommended prices and other elements of the program plan to the DG Board in prior Program Years?

A: Yes, SEA has made such changes between the final stakeholder meeting and in every single year since Mr. Armstrong or Mr. Kennerly have been involved with annual or multi-year program development, and Mr. Brennan has been part of several of said processes as well.

Q: Did the DPUC, in its comments in response to the October 16, 2024, stakeholder session, acknowledge SEA’s request for data following that meeting?

A: Yes, they did, as shown in SEA Schedule 5.

Q: Did the DPUC provide any evidence in support of alternative inputs to adopt in response to that request?

A: No.

C. DPUC Request for Further Investigation Into REG-Net Metering Interaction

Q: In his testimony, do Mr. Brennan and the DPUC recommend a further investigation into the dynamics between the net metering program and REG regarding Small Solar projects?

A: Yes. In pertinent part, Mr. Brennan and the DPUC recommend that:

RIE and OER conduct research into the factors that drive more customers to choose net metering over RE Growth including a better understanding of how the RECs are typically used (e.g. monetized or retained by the customer), what a typical contract looks like between a developer and a customer and how these programs are marketed to customers. This should help in understanding the key drivers for customer preferences for these programs and help in recommendations for future years both in terms of pricing and program rules and design. (see page 9)

Q: Does OER support this request?

A: OER supports the exploration of this question in the 2026 program plan development process with the following refinements, namely:

- The investigation should include not just Small Solar, but also Medium Solar, Commercial Solar, and Large Solar up to 10 MW (the maximum size threshold for net metering projects).
- The investigation should include comparisons of the anticipated participant revenue, costs, and ratepayer benefits in each of those size categories between the two programs. Any investigation that does not account for these comparative values is unlikely to provide clear or conclusive answers to the issue.

IV. BROWNFIELD ADDER PILOT PROGRAM

Q: Does Mr. Brennan and the DPUC recommend the approval of an adder pilot program?

A: Yes. Mr. Brennan and the DPUC find that there are identifiable conservation benefits as described in R.I.G.L. § 39-26.6-22. As such, Mr. Brennan and the DPUC stated support for an adder pilot program under certain conditions.

Q: Does the pilot program recommended by Mr. Brennan and the DPUC meaningfully differ from the program recommended by OER and the DG Board?

A: Yes.

Q: How does Mr. Brennan and the DPUC's recommendation deviate from the adder pilot program as recommended by OER and the DG Board?

A: Mr. Brennan and the DPUC recommend the following deviations from the adder pilot program as recommended by OER and the DG Board:

- The adder be set to 1.3 cents/kWh for both Large Solar I and II, arguing that 1.3 cents/kWh should be sufficient to support both Large Solar I and II given economies of scale. In the alternative, the DPUC recommends an upfront incentive of \$212,500.
- The pilot program be reduced from 20 MW to 15 MW, with the full pilot capacity open to either Large Solar I or II.

Q: Does SEA and OER have concerns with Mr. Brennan and the DPUC's recommendation with respect to the adder level?

A: Yes. In the case of a 1.3 cents/kWh adder for both Large Solar I and II, SEA's analysis showed that such an adder would not support Large Solar II development, given the incremental revenue requirement of 1.6 cents/kWh for such projects. Furthermore, in the case of a fixed upfront incentive of \$212,500 per project, SEA's analysis suggests that such an incentive would only be economical for projects up to approximately 1.5 MW_{DC}, given that (as calculated in SEA's response to PUC 3-2), Large Solar I projects require an

upfront incentive of at least \$140/kW_{DC} to cover the incremental costs associated with development on an unremediated brownfield. Given this, Mr. Brennan and the DPUC's suggestion regarding a fixed, upfront incentive would not be economical for a majority of Large Solar I projects, and would certainly be uneconomical for any Large Solar II projects.

Q: Does SEA and OER agree with Mr. Brennan and the DPUC's assertion that an adder value of 1.3 cents/kWh would be sufficient to support Large Solar II development given economies of scale?

A: No. As discussed on p. 28 of SEA's amended Direct Testimony, in pertinent part:

Projects larger than 5 MW are not eligible to include their interconnection costs in the basis for the calculation of federal ITC incentives. As such, Large Solar II projects receive reduced Year 1 tax benefits (the year in which the ITC is monetized by the project). Given that SEA applied a 10% ITC bonus to modeled brownfield projects, this decision resulted in larger Year 1 tax benefits relative to the project's total installed costs for Large Solar I projects as compared to Large Solar II projects. The increase in federal tax benefits for Large Solar I was sufficient to outweigh the economies of scale benefits realized by Large Solar II with respect to the incremental costs of development on a brownfield requiring remediation. As such, the calculated Large Solar II incentive-payment adder was higher than the Large Solar I incentive payment adder.

Q: Did Mr. Brennan and the DPUC offer any analysis to substantiate the claim that an adder value of 1.3 cents/kWh would be sufficient to support Large Solar II development given economies of scale?

A: No.

Q: Does OER have concerns with Mr. Brennan and the DPUC's recommendation with respect to the pilot program capacity?

A: Yes. OER agrees with Mr. Brennan and the DPUC that one of the objectives of the incentive-payment adder pilot should be the collection of data regarding actual costs

and performance for projects sited on brownfields requiring remediation and assessing potential level of interest in and viability of pursuing larger scale solar on such sites. The pilot capacity as proposed, if fully subscribed, would allow for a minimum of a single Large Solar II project and two Large Solar I projects. OER is concerned that a pilot program less than 20 MW_{DC} (spread over the two-year period of the pilot) will not provide sufficient capacity for a representative sample of projects to enroll, hindering the robustness of any conclusions drawn from data collected through the pilot.

Q: Does SEA agree with Mr. Brennan and the DPUC’s characterization of how the proposed adders were calculated?

A: In large part, yes. However, in characterizing how SEA calculated the adders, Mr. Brennan incorrectly states that “*the adders are not intended to cover any costs associated with the actual remediation of the brownfield.*” Consistent with the approach taken by SEA in Docket 23-44-REG, as described in **SEA Schedules 1 through 3**, the adder was designed to cover all incremental capital and operating expenses associated with solar development on a brownfield requiring remediation, which includes remediation expenses. We note that the DPUC acknowledged that remediation costs are a component of the incremental costs under consideration, as substantiated by its comments in response to SEA’s September 10 Stakeholder Session, in which the DPUC expressed support for an adder “based on actual incremental remediation costs and final project design” (see p. 6 of **SEA Schedule 6**). In addition, the PUC’s Docket 23-44-REG Report and Order required that the revised pilot program consider an “adder based on actual remediation costs” (see p. 28), further substantiating that remediation costs are a component of the incremental costs under consideration.

V. CONCLUSION

Q: Does this conclude your rebuttal testimony?

A: Yes