



STATE OF RHODE ISLAND

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Peter F. Neronha
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March 26, 2025

Public Utilities Commission
c/o Stephanie De La Rosa, Commission Clerk
89 Jefferson Blvd.
Warwick, RI 02888
Stephanie.DeLaRosa@puc.ri.gov

**Re: Attorney General's Comments in Response to Stakeholder Meetings and
March 14, 2025 Materials**

Dear Public Utilities Commission:

The following comments are provided by the Attorney General of the State of Rhode Island ("Attorney General") with respect to the prompts provided in the March 14, 2025 meeting materials in the above-referenced docket. Although discussions and considerations concerning specific tariff provisions remain ongoing, the Attorney General's focus on the need to develop storage tariff frameworks focused on best aiding the State in its efforts toward compliance with the Act on Climate while simultaneously improving energy affordability remains unchanged.

As expressed in the Attorney General's initial comments in this docket, development of carefully considered tariff frameworks for storage on the electric distribution system could play an essential role in reducing Rhode Island's greenhouse gas emissions while also ensuring a more efficient and reliable system. There is a need to carefully develop effective tariffs that acknowledge and maximize the potential of energy storage to foster a greener energy grid and simultaneously provide price relief for electric customers.

Although various methods could ultimately be employed to ensure that storage is effectively implemented, certain benefits and outcomes for Rhode Islanders should be encouraged in any tariff frameworks. Clean and renewable energy production should be favored over storage that simply seeks to charge at lower prices and discharge for a profit. Likewise, storage that can be effectively deployed to meet the distribution system's needs, reduce infrastructure expenditure, and reduce Rhode Islanders' obligations to pay high prices for peak energy, should be compensated fairly for the benefits they provide. Accordingly, it seems appropriate to consider timing components when setting rates for both charging and discharging.

At the same time, storage should not be encouraged for its own sake. It is essential to avoid effectively subsidizing the storage industry without ensuring that Rhode Island's citizens receive real benefits. Where storage does not provide technical, environmental, and/or consumer electric rate benefits, projects should not receive financial incentives. Although there may be scenarios where multiple benefits are provided and a particular project should be compensated for the various benefits it creates, any programmatic designs must carefully avoid overlap with existing programs. Developers and storage providers should not be allowed to unfairly receive multiple concurrent incentives for the same benefits at the expense of ratepayers. This is particularly true where rate adjustments resulting from any tariff have the potential to further burden Rhode Island ratepayers already struggling with some of the highest electric rates in the nation. Moreover, to the extent that there are actually *costs* associated with a technological or financial burden related to a storage project, including the need to recover costs associated with additional infrastructure spend on the distribution system, tariff frameworks should account for that as well.

It is essential that each provision of any final tariff proposal(s), as well as any proposed adjustment(s) to existing programs, are carefully reviewed in light of the Act on Climate and energy-affordability concerns. To that end, the Attorney General looks forward to continued participation in this stakeholder process.

Sincerely,

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Rhode Island Attorney General

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