



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

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VIA ELECTRONIC MAIL

MEMORANDUM

To: Chairman Ronald T. Gerwatowski
Commissioner Abigail Anthony
Commissioner Karen Bradbury

From: Kyle Lynch, Esq.

Re: Docket No. 25-13-REG - The Office of Energy Resources - Budget Request to Perform 2026 Renewable Energy Growth Program Development

Date: June 16, 2025

On April 30, 2025, the Rhode Island Office of Energy Resources, (“OER”) in consultation with the Rhode Island Distributed Generation Board (“DG Board”), filed a request for approval to perform program and ceiling price development for the 2026 Renewable Energy (“RE”) Growth Program. In its request, the parties noted that the DG Board approved the submission of this request at its meeting held on April 28, 2025. The filing seeks approval for a total budget of \$123,616.

In fulfillment of their statutory responsibilities for ceiling price development, OER and the DG Board have contracted with Sustainable Energy Advantage, LLC (“SEA”), a long-time vendor for this program. In its supporting documentation, SEA indicated that its budget is based on performing three potential tasks. First, SEA anticipates costs of \$32,621 for, what it describes as the Core Contracted Scope of Work related to Small Solar ceiling price development. This work includes data collection, data analysis, ceiling price recommendations, and participation in the regulatory process. Second, SEA has been asked by OER to assist in the development and justification of the 2026 Megawatt Allocation Plan at an anticipated cost of \$26,338. Finally, SEA is requesting \$19,778 to account for a quantity of incremental hours needed to ensure that it can complete due diligence and make related modeling changes to account for the potential changes that could be made to clean energy-related tax incentives and rules by the current Congress to the

Inflation Reduction Act of 2022 and other provisions of the Internal Revenue Code. The Division notes that, unlike in previous years, SEA *does not* indicate that in a scenario where SEA's services exceed the budget requested, it will not invoice for that work.

The Division does note that SEA did not file a budget request for the 2025 Renewable Energy ("RE") Growth Program. In addition, SEA did not provide in its Memorandum a breakdown of the expected number of hours necessary to perform the requested tasks or SEA's hourly compensation.¹ Nor did it provide any information regarding the increase in its fees or pricing. The Public Utilities Commission ("Commission") requested that OER provide a supplemental response itemizing the regulatory process costs for the 2025 and 2026 program years by June 13, 2025.² OER provided this supplemental response on June 13, 2025, and the Division notes that the response contains additional, itemized detail relating to the 2025 and 2026 program years.

The Division notes that while it participates in a "stakeholder" process regarding the RE Growth Program, it has not agreed with the proposed ceiling prices, resulting in a contested case proceeding before the Commission. The Division submits that a robust evidentiary process is in accord with its statutory responsibilities and agrees that SEA should be appropriately compensated for work that it undertakes on OER's and the DG Board's behalf. The Division hesitates to take a position that may limit, in some way, another party from participating in that robust evidentiary process, and therefore the Division does not object to OER's request.

Sincerely,



Kyle Lynch
Deputy Chief of Legal Services
Division of Public Utilities & Carriers

cc: Linda D. George, Esq., Administrator, DPUC

¹ SEA did provide further information in response to a PUC data request relating to its expected work involving the 2026 Megawatt Allocation Plan. *See* OER and the DG Board's Response to PUC 1-2. However, this information lists sub-tasks without any further breakdown of expected hours or hourly rates.

² Email from PUC counsel to OER dated June 9, 2025.