

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: THE NARRAGANSETT ELECTRIC :
COMPANY D/B/A RHODE ISLAND ENERGY :
LONG-TERM CONTRACTING FOR :
RENEWABLE ENERGY RECOVERY FACTOR : **DOCKET NO. 25-51-EL**

ORDER

On November 14, 2025, The Narragansett Electric Company d/b/a Rhode Island Energy (RI Energy or Company) filed with the Public Utilities Commission (Commission) its Long-Term Contracting for Renewable Energy Recovery (LTCRER) Factor for effect January 1, 2026.¹ RI Energy proposed a factor of 0.504 cents per kilowatt-hour (kWh), a decrease from the prior period.² On November 26, 2025, the Company submitted a revised factor of 0.528 cents per kWh to properly include certain contractual escalators that had been omitted from the original filing.³

Pursuant to the provisions of Chapters 39-26.1 and 39-26.2, RI Energy is permitted to recover the above-market costs and required to credit the below-market costs of certain long-term renewable energy contracts and distributed generation contracts, net of, or including proceeds from the ratepayers' share of revenue from the sale of forward capacity revenue from the applicable distributed generation contracts, plus related administrative costs. In its filing, RI Energy estimated that the twelve-month contract cost for thirty-eight renewable energy contracts, which included distributed generation contracts and non-distributed generation contracts, would be \$91,394,788.⁴

The market value for the energy, Renewable Energy Certificates (RECs), and capacity procured under the contracts is projected to be \$61,121,956 for the same period.⁵ The difference

¹ Rhode Island Energy's Long-Term Contracting for Renewable Energy Recovery Factor Filing (Nov. 14, 2025).

² *Id.* at Attach 1, at 1.

³ Rhode Island Energy's Revised Long-Term Contracting for Renewable Energy Recovery Factor Filing (Nov. 26, 2025).

⁴ *Id.* at Attach. 1, at 2.

⁵ *Id.* at Attach 1, at 3.

between the estimated contract costs minus the market value of the energy, RECs, and capacity is expected to be of \$30,272,832.⁶ The estimated customer share of the forward capacity market revenue is expected to be \$72,364 and the estimated related administrative costs are expected to be \$11,024. Netting the revenue and related administrative cost against the total above-market cost leaves a total of \$30,211,492 for recovery from ratepayers. The rate billed to customers is calculated by dividing this net value by RI Energy's forecasted kWh deliveries for the upcoming twelve-month period and adjusting for uncollectibles and the current reconciliation factor. RI Energy's proposed revised factor was \$0.00528 per kWh.⁷ When compared to the current factor in effect of \$0.00656, this results in a net rate decrease of \$0.00128 per kWh.⁸

On December 17, 2025, the Division of Public Utilities and Carriers (Division) filed with the PUC a memorandum reviewing the calculations and recommending approval of the proposed revised factor for effect on January 1, 2026.⁹

At an Open Meeting on December 19, 2024, the Commission reviewed the filings and approved the annual LTCRER Factor as proposed, finding it to be calculated consistent with Tariff RIPUC 2272.

Accordingly, it is hereby

(25600) ORDERED:

1. The Narragansett Electric Company d/b/a Rhode Island Energy's Long-Term Contracting for Renewable Energy Recovery Factor of \$0.00528 per kWh for electricity consumed on and after January 1, 2026, is hereby approved.

⁶ *Id.* at Attach. 1, at 4. Six of the 38 projects are expected to cost less than the projected market value in 2025. All six were procured through a competitive bidding process outlined in the Long-Term Contracting for Renewable Energy Act.

⁷ *Id.* at Attach. 1, at 5.

⁸ *Id.* at Attach. 1 at 1.

⁹ Mem. of Donna Daigle (Dec. 17, 2025).

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2026, PURSUANT TO AN OPEN MEETING DECISION ON DECEMBER 23, 2025. WRITTEN ORDER ISSUED FEBRUARY 4, 2026.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski

Ronald T. Gerwatowski, Chairman

Abigail Anthony

Abigail Anthony, Commissioner

Karen M. Bradbury

Karen M. Bradbury, 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.