



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS
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**To: Stephanie DeLaRosa, Commission Clerk
Rhode Island Public Utilities Commission**

**From: John Bell, Chief Accountant
Division of Public Utilities and Carriers**

Date: March 9, 2026

**Re: Docket 26-08-EL - Rhode Island Energy Tariff Advice Filing to Add an Advanced
Metering Functionality Recovery Provision, RIPUC No. 2282**

On February 27, 2026, The Narragansett Electric Company (“Company” or “RIE”), submitted a tariff advice filing with the Public Utilities Commission (“Commission” or “PUC”). The purpose of the filing is to add a tariff provision, effective April 1, 2026, for the recovery of the revenue requirements associated with eligible Advanced Metering Functionality (“AMF”) capital expenditures.

On November 18, 2022, the Company submitted an AMF Business Case in Docket 22-49-EL. Paragraph 9 of Commission’s decision in that docket addressed the procedure for recovery of the revenue requirement associated with the eligible AMF Capital Expenditures:

9. The Narragansett Electric Company d/b/a Rhode Island Energy [is ordered] to file an ISR Addendum to encompass the findings herein for further review by the Commission. The addendum shall include a proposal to recover the revenue requirement associated with the eligible advanced metering functionality CapEx spending to be appropriately allocated to each rate class and recovered through a fixed charge embedded in the applicable customer charge for each rate class for further review by the Commission.

On December 22, 2023, the Company filed an ISR Addendum, in Docket 22-49-EL, however no action was taken. The AMF Recovery Provision, submitted in the current docket, implements the

AMF CapEx factor contemplated in paragraph 9 above, in conjunction with new rates effective April 1, 2026 in conjunction with the Fiscal Year 2027 Electric ISR Plan.

Paragraph 6 of the Commission Order in Docket 22-49-EL authorized recovery of the revenue requirement associated with the eligible AMF CapEx spending in the annual ISR with certain conditions:

6. The Narragansett Electric Company d/b/a Rhode Island Energy is authorized to seek recovery of its capital investments in the categories identified in Record Request 9 through the infrastructure, safety, and reliability process as discretionary investments through the creation of a separate category with an overall multi-year CapEx cap, with the following conditions:
 - a. The Company is not required to prove a need to deploy advanced metering functionality for its electric distribution operations in place of the existing automated meter reading-based metering system;
 - b. The scope of the authorized deployment includes the investments and functionalities, as set forth in Figure 6.2 and Figure 6.3 but shall not include CP:Solar Marketplace, CP:Carbon Footprint Calculator, and CP:C&I and Multi-Family Portfolio View.
 - c. The scope shall also include advancement of load disaggregation & Waveform Analytics and Grid Edge Computing that will be enabled by allowing customers to use Sense by connecting their home area network to the meter as discussed in RR-11 and shall not include acceleration of time varying rates.
 - d. Capital spending within the scope of Record Request 9 (Project Implementation) that was commenced prior to the Infrastructure, Safety, and Reliability Fiscal Year 2025 filing shall be eligible for recovery notwithstanding the fact that the spending was not part of the pre-approved investments within the rules of a prior Infrastructure, Safety, and Reliability filing;
 - e. Recovery of the capital costs incurred for the authorized project implementation period shall be capped in the aggregate at a budget of \$153,217,548 and the Company is directed to file a revised RR-9 and revised Attachment H excel spreadsheet to reflect \$0.00 for the items removed and to show the O&M related to acceleration of Sense.
 - f. Regarding the Special Sector Deferrals identified in the Amended Settlement Agreement and listed in Attachment PUC 7-13, lines 3 and 4, the ongoing annual 25 net cumulative accrual shall only be used to offset the annual Advanced Metering Functionality revenue requirement that is eligible for ISR cost recovery each year.

The Division reviewed RIE's proposed AMF Recovery Provision and found that, in accordance with paragraph 9 of the Commission's Order in 22-49-EL, the language in the tariff appropriately limits recovery to the revenue requirements associated with eligible AMF Capital Expenditures, and it further allocates costs to each class and requires recovery through a fixed charge embedded

in the applicable customer charge for each rate class. The Division does not propose any changes to the proposed tariff. Accordingly, the Division recommends approval of RIE's proposed tariff for effect on April 1, 2026, as filed.