



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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December 23, 2014

SENT VIA HAND DELIVERY AND ELECTRONIC MAIL:

Luly E. Massaro
Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

RE: Rhode Island Distributed Generation Board Report and Recommendation
Regarding 2015 Renewable Energy Growth Classes, Ceiling Prices and Targets
(Docket No. 4536)

Dear Ms. Massaro:

Enclosed for filing on behalf of the Rhode Island Distributed Generation Board ("Board") is an original and ten (10) copies of the Board's Report and Recommendations regarding 2015 renewable energy growth classes, ceiling prices and targets. Please note that the CREST model excel worksheets listed in Appendix B are being provided in electronic form only.

Electronic copies to all persons named on the attached Service List and the Board will provide a hard copy to anyone who requests it. Thank you for your assistance.

Sincerely,

Daniel W. Majcher, Esq.

DWM/njr

Enclosure

c. Leo Wold, Esq.
Docket 4277/4288 Service List

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

**The Rhode Island Distributed Generation Board
Report and Recommendation**

On the 2015 Renewable Energy Growth Classes, Ceiling Prices and Targets

I. Introduction

The Rhode Island Distributed Generation Board (“Board”) hereby submits its “Report and Recommendation on the 2015 Renewable Energy Growth Classes, Ceiling Prices and Targets” (“Report”) to the Rhode Island Public Utilities Commission (“Commission”) in accordance with R.I. Gen. Laws § 39-26.6-4 (a)(1), and the applicable provisions of R.I. Gen. Laws § 39-26.2-4 and § 39-26.2-5. A list of the Board’s members is attached as **Appendix A**.

The newly adopted Renewable Energy Growth Program, R.I. Gen. Laws § 39-26.6-1 *et seq.* (“REG Program”), requires the Board to develop and recommend to the Commission ceiling prices for tariffs under the REG Program and annual megawatt (“MW”) target allocations for enrollments by renewable energy technology and classes for the program year. This is the first year in which the Board is submitting its recommendations to the Commission in accordance with newly adopted REG Program. For a period of 2015 to 2019, the REG Program, which is a tariff based program, is replacing the Distributed Generation Standard Contracts Program (“DGSC Program”).

The Board conducted a comprehensive process to develop this Report. The Board meetings and associated public workshops served three purposes: 1) to fulfill the requirements of developing the REG Program submission to the Commission; 2) to inform the Board itself of the nature of the statutory requirements of the newly adopted law; and 3) to provide for a transparent and open process involving stakeholders in developing the recommendations contained in the Report. Attached hereto as **Appendix B**, are the presentations and worksheets utilized in the development of the 2015 REG Program. The Board received presentations and input from the Office of Energy Resources (“OER”), National Grid, the Board’s technical consultant Sustainable Energy Advantage (“SEA”), and from stakeholders interested in the REG Program.

The Board's 2015 REG Program recommendations are summarized in **Appendix C**, attached hereto and explained further in this Report.

The Board's meetings, which included public comment and workshops, were held on the following dates:

July 21, 2014

August 18, 2014

September 10 & 22, 2014

October 14 & 20, 2014

November 10 & 17, 2014

December 9 & 15, 2014

These meetings included discussion on: 1) the competitive process used to select SEA for technical assistance in developing ceiling prices and annual target allocations; 2) National Grid presentation on the rules, regulations and applications for the tariff based program; 3) three public presentations on the development and recommended ceiling prices; and 4) discussions by the Board on the eligible technologies, megawatt allocation plan and program parameters, including inputs into the ceiling price development. After this exhaustive process, the Board respectfully submits this Report to the Commission for review and approval.

II. 2011-2014 Results of the Distributed Generation Standard Contracts Program

The DGSC Program had its first enrollment in December 2011 and concluded its final enrollment in November 2014. As of October 2014, prior to the third and final DGSC Program enrollment for 2014, there were 29.15 MW of awarded contracts in total, with 37 contracts executed; 34 to solar, 2 to wind and 1 to anaerobic digestion. No contracts were awarded to small scale hydropower. Out of the 37 contracts awarded, 5 were terminated because of a lack of financing or a failure to achieve the required deadlines. Any unused MW capacity from the DGSC Program will be allocated to the 2019 year of the REG Program pursuant to R.I. Gen. Laws § 39-26.6-12(e).

Currently, as of this filing, there are 16 renewable energy projects that are operational, and 16 projects in development but expected to be up and running by their contractual deadlines. Overall, the DGSC Program saw a decline in solar ceiling prices during the course of three program years based on the parameters developed by the Board, OER and National Grid and

approved by the Commission. Wind, anaerobic digester and hydro ceiling prices during this period were stable or experienced moderate increases.

III. Changes from the Distributed Generation Standard Contracts Program

The General Assembly enacted the REG Program in June 2014. The new law made a number of structural changes compared to the 2011-2014 DGSC Program law, including:

- Shifting the renewable energy procurement from a long-term contract based program to a tariff based program.
- Allocating a minimum of 3 MW of the annual program capacity in 2015, 2016, 2017 and 2018 to the small solar class, with the policy objective of providing incentives for developing and installing residential and small business solar projects.
- The ability to provide a zonal incentive for identified system reliability areas.

IV. The Basic Requirements of the REG Program

The applicable provisions of the REG Program pertaining to the development of ceiling prices are as follows:

- *R.I. Gen. Laws § 39-26.6-3 (17) "Ceiling price" means the bidding price cap applicable to an enrollment for a given distributed-generation class that shall be approved annually for each renewable-energy class pursuant to the procedure established in this chapter. The ceiling price for each technology should be a price that would allow a private owner to invest in a given project at a reasonable rate of return, based on recently reported and forecast information on the cost of capital, and the cost of generation equipment. The calculation of the reasonable rate of return for a project shall include, where applicable, any state or federal incentives, including, but not limited to, tax incentives.*
- *R.I. Gen. Laws § 39-26.6-5 (d) The board shall use the same standards for setting ceiling prices as set forth in § 39-1 26.2-5. In setting the ceiling prices, the board may specifically consider:*
 - (1) Transactions for newly developed renewable energy resources, by technology and size, in the ISO-NE control area and the northeast corridor;*

(2) Pricing from bids received during the previous program year;

(3) Environmental benefits, including, but not limited to, reducing carbon emissions;

(4) System benefits; and

(5) Cost effectiveness.

V. 2015 REG PROGRAM Recommendations

A. Technology Classes and System Sizes – The objectives of the 2015 program are as follows:

1. To encourage a diversified renewable energy program, in accordance with the purposes of R.I. Gen. Laws § 39-26.6, and provide a portion of the MW capacity to support each sector.
2. To decrease, where appropriate, the technology class ceiling prices.
3. To stimulate economic development in the renewable energy market.
4. To foster a market for small solar installations at residences and small businesses.

The Board recommends the following classes and system size eligibility for solar, wind, anaerobic digestion and small scale hydropower:

Table I

Technology	Eligible System Sizes
Small Solar I – Host Owned	1 to 10 kW DC
Small Solar I – Third Party Owned/Financed	1 to 10 kW DC
Small Solar II	11 to 25 kW DC
Medium Solar	26 to 250 kW DC
Commercial Solar	251 to 999 kW DC
Large Solar	1 to 5 MW DC
Wind I	1.5 to 2.99 MW AC
Wind II	3.0 to 5.0 MW AC

Anaerobic Digestion I	150 to 500 kW AC
Anaerobic Digestion II	501 kW to 1 MW AC
Small Scale Hydropower I	10 to 250 kW AC
Small Scale Hydropower II	251 kW to 1 MW AC

B. Recommended Ceiling Prices

Consistent with R.I. Gen. Laws § 39-26.2-5, the Board, with the assistance of SEA and OER, considered the following matters when developing the ceiling prices recommendations:

1. Any state or federal incentives including but not limited to tax incentives;
2. Transactions for newly developed renewable energy resources, by technology and size, in the ISO-NE region and the northeast corridor;
3. Pricing for DGSC Program contracts executed between 2011 and 2014;
4. Municipal Property Taxes;
5. Rhode Island and Massachusetts Interconnection Costs;
6. Cost effectiveness for the eligible technology; and
7. Public comments and data received by stakeholders.

The Board developed ceiling prices for each technology listed on the **Table I** above. The Board is recommending that all of the solar ceiling prices assume the availability and use of the thirty percent (30%) federal investment tax credit (“ITC”), which is available to solar projects achieving commercial operation on or before December 31, 2016. The solar projects awarded tariffs in 2015 will need to be operational prior to the end of 2016 in order to qualify for the Federal ITC.

The Board is recommending ceiling prices for the wind, anaerobic digestion and small-scale hydropower classes with the assumption that no ITC or Production Tax Credit (“PTC”) is available. Federal accelerated depreciation benefits, which do not expire, are assumed to be captured. During the development of the ceiling prices, there was no federal ITC or PTC available for those technologies. However, the Board did have SEA prepare alternate ceiling price scenarios in the event that new federal ITCs or PTCs are enacted and are applicable in 2015. The OER will be monitoring any potential federal activity around renewable energy incentives. In the event that new federal ITCs or PTCs are established, the Board will take those developments into account and make revisions to the ceiling prices prior to National Grid’s

enrollment period. The OER will notify the Commission immediately if Congress enacts any federal ITCs or PTCs that are applicable in 2015.

The Board recommends that any developer applying for a renewable energy project in 2015 that qualifies for any federal renewable energy incentive or ITC or PTC before expiration, shall be awarded a ceiling price that takes into consideration the applicable ITC/PTC. This principle would apply for qualifying ITC/PTC projects even if the federal incentives are not in place at the time of the specific enrollment in 2015. The Board is currently unaware of any projects that have qualified for federal incentives which otherwise expired at the end of 2013 or 2014, that have yet to be awarded a DG standard contract. This recommendation was also included in the Board's filing for the 2014 DGSC program recommendations to the Commission last year.

C. 2015 Ceiling Price Development

The Board engaged SEA to perform the analysis supporting ceiling price development for the 2015 REG program, pursuant to a Request for Proposals issued by the Rhode Island Division of Purchases in July, 2014. SEA previously advised on the development of the 2011, 2012, 2013 and 2014 DGSC ceiling prices. Just like previous years, SEA used the Cost of Renewable Energy Spreadsheet Tool ("CREST") Model to evaluate potential pricing for the 2015 REG program ceiling prices. The CREST Model is current (May 2011) and is in the public domain. The CREST Model was published in a report by the National Renewable Energy Laboratory, a national laboratory of the U.S. Department of Energy, Office of Renewable Energy and Energy Efficiency.

To generate ceiling prices with the CREST Model, SEA collected data from similar renewable energy programs in Rhode Island, Massachusetts, Connecticut, Vermont, and New York. SEA requested from National Grid the economic and interconnection data from the DGSC applications submitted in 2011, 2012, 2013 and 2014. SEA, on behalf of the Board, issued a survey to stakeholders at the beginning of ceiling price development. SEA issued several data and comment requests to stakeholders as part of the development of the 1st, a 2nd, and final drafts of the ceiling prices in order to collect information and adjust the recommendations as necessary. SEA staff was available to the OER, the Board and stakeholders during the ceiling price development process. SEA attended and participated in five public meetings, including three public presentations specifically on ceiling prices.

The table below provides the ceiling price recommendations for 2015:

Table II

Technology	Ceiling Prices (¢/kWh)
Small Solar I – Host Owned (15 Year Tariff)	41.35
Small Solar I – Host Owned (20 Year Tariff)	37.75
Small Solar I – Third Party Owned/Financed	32.95
Small Solar II	29.80
Medium Solar	24.40
Commercial Solar	20.95
Large Solar	16.70
Wind I	22.75
Wind II	22.35
Anaerobic Digestion I	20.60
Anaerobic Digestion II	20.60
Small Scale Hydropower I	21.35
Small Scale Hydropower II	21.10

- i. Solar (Modeling Inputs Sources) – SEA used information provided by stakeholders, as well as data from the Rhode Island Renewable Energy Fund, past DG Enrollments, National Grid, the Massachusetts SREC Database, the Massachusetts Commonwealth Solar Program, NYSERDA (the New York Power Clerks Database), Lawrence Berkeley National Laboratories, and the Department of Energy to determine inputs used in modeling. Interconnection cost data were provided by National Grid. SEA also reviewed data from the Department of Energy’s *Tracking the Sun* Program.
- ii. Solar (Comparison to Past DGSC Ceiling Prices) –
 - Small Solar I (Host Owned) - This is the first year a ceiling price is being recommended for solar systems of sizes 1-10kW, therefore no comparison to previous years can be made.

- Small Solar I (Third Party Owned) - This is the first year a ceiling price is being recommended for solar systems of sizes 1-10kW, therefore no comparison to previous years can be made.
 - Small Solar II – This is the first year a ceiling price is being recommended for solar systems of sizes 10-25kW, therefore no comparison to previous years can be made.
 - Medium Solar - The proposed ceiling prices would provide a 10.0% reduction compared to 2014.
 - Commercial Solar - The proposed ceiling prices would provide a 23.3% reduction compared to 2014.
 - Large Solar - The proposed ceiling prices would provide a 28.9% reduction compared to 2014.
- iii. Wind I & II (Modeling Inputs Sources, and Comparison to Past DGSC Ceiling Prices) – SEA used information provided by stakeholders, as well as data from the Massachusetts Clean Energy Center and the Department of Energy to determine inputs used in modeling. Interconnection cost data were provided by National Grid. The proposed ceiling price would provide a 30% increase compared to 2014 for the Wind I technology class.
 - This is the first year a ceiling price is being recommended for the Wind II technology class (sized 3.0-5.0MW), therefore no comparison to previous years can be made.

The increase in ceiling prices for the Wind I technology class is partially the result of modeling ceiling prices based on the assumption that this technology class will not receive federal ITCs in 2014. Based on SEA’s input, the Board recommends proposed ceiling prices taking into account the difficulty of wind project siting and permitting, and the overall challenge presented by the development, financing and operation of small wind projects. The recommended ceiling prices are also based on the assumption that wind development in Rhode Island will likely take place inland, as opposed to coastal areas; inland area wind regimes are weaker, and have reduced capacity factors, ultimately increasing ceiling prices.

- iv. Anaerobic Digestion I and II (Comparison to Past DGSC Ceiling Prices) – In 2014, there was only one Anaerobic Digestion technology class (50kW - 1.0MW). For the 2015 Renewable Energy Growth Program, the same ceiling price is recommended for both Anaerobic Digestion I and II technology classes. This proposed ceiling price would provide a 15.1% increase compared to 2014. The increase in ceiling prices for the Anaerobic Digestion technology class is partially the result of modeling ceiling prices based on the assumption that this technology class will not receive federal Production or Investment Tax Credit incentives; in 2014, ceiling prices were modeled assuming such incentives would be available to this technology class.
- v. Small Scale Hydropower I and II (Comparison to Past DGSC Ceiling Prices) - In 2014, there was only one Small Scale Hydropower technology class (50kW - 1.0MW). For the 2015 Renewable Energy Growth Program, the proposed ceiling prices for the Small Scale Hydropower I would provide a 15.1% increase compared to this 2014 price. The 2015 proposed ceiling price for Small Scale Hydropower II would provide an 8.4% increase compared to the 2014 ceiling price. The increase in ceiling prices for the Small Scale Hydropower technology class is partially the result of modeling ceiling prices based on the assumption that this technology class will not receive federal Production or Investment Tax Credit incentives; in 2014, ceiling prices were modeled assuming such incentives would be available to this technology class.

Table III

2015 Renewable Energy Growth Program Recommended Ceiling Prices v. 2014 DGSC Approved Ceiling Prices (¢/kWh)				
2015 Technology Class	2015		2014	
	Size	Price (¢/kWh)	Size	Price (¢/kWh)
Small Solar I - Host -15 year tariff	1 - 10 kW DC	41.35		
Small Solar I - Host – 20 year tariff	1 - 10 kW DC	37.75		
Small Solar I - Third Party Owned/Financed	1 - 10 kW DC	32.95		
Small Solar II	10 - 25 kW DC	29.80		
Medium Solar	26 - 250 kW DC	24.40	50 - 200 kW	27.10

Commercial Solar	251 - 999 kW DC	20.95	201 - 500 kW	27.30
Large Solar	1 - 5 MW DC	16.70	501 - 3000 kW	23.50
Wind I*	1500 - 2999 kW AC	22.75	1.0 - 1.5 MW	17.50
Wind II*	3000 - 5000 kW AC	22.35		
Hydro I*	10 - 250 kW AC	20.60	50 kW - 1.0 MW	17.90
Hydro II*	250 - 1000 MW AC	20.60	50 kW - 1.0 MW	17.90
AD I*	150 - 500 kW AC	21.35	50 kW - 1.0 MW	18.55
AD II*	501 - 1000 MW AC	20.10	50 kW - 1.0 MW	18.55

*For wind, hydro, and anaerobic digestion, the approved 2014 ceiling prices include federal ITC/PTC, while the recommended 2015 ceiling prices do not. The federal ITC/PTC are not currently available for those technologies in 2015.

D. Recommended Allocation Plan, Table IV (below)

The 2015 REG program will provide 25 MW of total nameplate capacity for fixed price and competitively bid projects. There will be 7 MW of capacity available for fixed priced projects and 18 MW available through a competitive bidding process. The Board released a 1st draft of the 2015 MW allocation plan and sought public comments. The Board also presented the recommended MW allocation plan at a Board public workshop on December 9th. The 2015 REG Program represents approximately 1.3% of the State’s historic peak load.

E. 2015 Enrollment Plan Recommendations

The Board is recommending the following for the 2015 REG enrollments:

1. The small scale solar classes have a continuous open enrollment for the entire REG program year and not be limited to only 2 open enrollments.
2. Allow the MW rollover rule for anaerobic digestion, small scale hydropower and wind technologies to occur during the 1st enrollment in 2015. If there are no projects submitted for anaerobic digestion, small scale hydropower and wind technologies, then the MW capacity would rollover into the 2nd enrollment for those technology classes.
3. After the 2nd enrollment occurs, and if there is no applications submitted for anaerobic digestion, small scale hydropower and wind technologies, then the Board shall have the ability to divert that MW capacity to renewable energy classes where there is the greatest demand.
4. The Board shall have the ability to redirect MW capacity available in the medium, commercial and large solar classes to any of the renewable energy classes where there is the greatest demand during the 1st and 2nd enrollments.
5. Any unused MW capacity after the conclusion of the 2015 REG program shall rollover and shall be allocated to the 2019 program year, pursuant to R.I. Gen. Laws § 39-26.6-12(i).

The Board recommends the following annual allocation goal for 2015:

Table IV

Technology & Eligible Class	kW Allocations
Small Solar I – Host Owned	3,000 kW* DC
Small Solar I – Third Party Owned/Financed	
Small Solar II	
Medium Solar	4,000 kW DC
Commercial Solar	5,500 kW DC
Large Solar	6,000 kW DC
Wind I	5,000 kW AC
Wind II	
Anaerobic Digestion I	1,500 kW AC
Anaerobic Digestion II	
Small Scale Hydropower I	
Small Scale Hydropower II	
Total	

*The REG Program statutorily requires that a minimum 3 MW of capacity from the 2015, 2016, 2017 and 2018 REG programs be allocated for the small solar class.

Continuous Open Enrollment for Small Solar Class

National Grid recommended in their filing of the 2015 REG Program tariff rules, regulations and applications to the Commission that the small solar class of the REG Program be available year round. This would allow homeowners, businesses and renewable energy developers the ability to submit their tariff applications on a rolling basis to National Grid, instead of limiting it to two open enrollment periods. This recommendation would allow small solar projects to participate when they are ready, and not restrict them to only two enrollments for the entire program year. As indicated by the Board’s 2015 enrollment plan recommendations listed above, the Board strongly supports National Grid’s recommendation.

F. First Enrollment, Table V

The Board is recommending the following allocations for the first enrollment:

Table V

Technology & Eligible Class	kW Allocations
Small Solar I – Host Owned	3, 000* kW DC
Small Solar I – Third Party Owned/Financed	
Small Solar II	
Medium Solar	4,000 kW DC
Commercial Solar	5,500 kW DC
Large Solar	6,000 kW DC
Wind I	5,000 kW AC
Wind II	
Anaerobic Digestion I	1,500 kW AC
Anaerobic Digestion II	
Small Scale Hydropower I	
Small Scale Hydropower II	
Total	25,000 kW

*Open until the end of the year or until National Grid fully subscribes the 3 MW of capacity.

G. Second Enrollment

The second enrollment and the available MW capacity would be adjusted depending on the results of the first enrollment.

H. REG Program Outreach Efforts for 2015

The Board, OER, Commerce Rhode Island and National Grid plan to proactively promote the REG Program to municipalities, homeowners, small businesses and commercial and industrial users and explore opportunities for those sectors to participate and install renewable energy systems on town/city, residential or business properties. The OER is currently planning to promote the new REG program and how it works to different organizations in early 2015, including the Rhode Island Builders Association, the Energy Council of Rhode Island, International Brotherhood of Electrical Workers Local 99, Chambers of Commerce and the Rhode Island League of Cities and Towns.

VI. CONCLUSION

After an extensive and transparent development process for the 2015 REG Program, the Board, on Monday, December 15, 2014, approved by unanimous vote the following recommendations: 1) 2015 REG ceiling prices; 2) 2015 Megawatt Allocation Plan; 3) National Grid's Small Solar Program Parameters for 2015; 4) general support of National Grid's 2015 REG Program Tariff Applications and Rule/Regulations; and 5) the submittal of the recommendations set forth in this Report to the Commission. The Board respectfully requests that the Commission review and approve the Board's recommendations.

EXHIBIT A

Distributed Generation Board Members

Name	Representing	Voting or Non-Voting Member
Marion Gold	Office of Energy Resources	Non-Voting
Thomas Teehan*	National Grid	Non-Voting
Hannah Morini	Commerce RI	Non-Voting
Kenneth Payne (Chair)	Energy Regulation and Law	Voting
Charity Pennock (Vice-Chair)	Construction of Renewable Generation	Voting
William Ferguson	Large Commercial/Industrial Users	Voting
Sam Bradner	Small Commercial/Industrial Users	Voting
Christine Malecki West	Residential Users	Voting
Sharon Conard-Wells	Low Income Users	Voting
Sheila Dormody	Environmental Issues Pertaining to Energy	Voting

*Mr. Teehan was absent during the development of the 2015 REG Program. Corrine DiDomenico, Ian Springsteel and Raquel Webster participated in the program's development during Mr. Teehan's absence on behalf of National Grid.

EXHIBIT B

ATTACHED PRESENTATIONS PROVIDED

1. National Grid – RE Growth Enrollment and Tariff Overview – September 22, 2014
2. Sustainable Energy Advantage – Call for Data to Inform 2015 Ceiling Price Development – September 2014
3. National Grid – RE Growth Program Public Review Meeting – October 14, 2014
4. DG Board - 2015 REG Program Drafted 2015 Megawatt Allocation Plan – October 2014
5. Sustainable Energy Advantage – Calculation of Initial 2015 Ceiling Price Recommendations – October 20, 2014
6. Sustainable Energy Advantage – 1st Revision to Proposed 2015 Ceiling Price Recommendations – November 20, 2014
7. DG Board - Recommended 2015 Renewable Energy Growth Program – December 9, 2014
8. National Grid - RE Growth Program Public Review Meeting - December 9, 2014
9. Sustainable Energy Advantage – 2nd Revision to Proposed 2015 Ceiling Price Recommendations – December 9, 2014
10. Sustainable Energy Advantage - RI Renewable Energy Growth - 2015 Ceiling Price Data Request - FINAL
11. Sustainable Energy Advantage - Distributed Materials and Information - DG Board Memo - December 17, 2014

EXHIBIT C

Rhode Island Distributed Generation Board Recommended Target Classes, Ceiling Prices, and Targets for the 2015 Renewable Energy Growth Program

The Board recommends that National Grid conduct two open enrollments in 2015, with the goal of 22 MW of projects being awarded tariffs. The Board recommends that National Grid have a continuous open enrollment for the small solar category with the goal of awarding 3 MW of tariffs to small solar projects.

Recommended Technology Classes and Targets

Technology	Eligible Class	kW Allocations
Small Solar I – Host Owned	1 to 10 kW	3,000* kW DC
Small Solar I – Third Party Owned/Financed	1 to 10 kW	
Small Solar II	11 to 25 kW	
Medium Solar	26 to 250 kW	4,000 kW DC
Commercial Solar	251 to 999 kW	5,500 kW DC
Large Solar	1 to 5 MW	6,000 kW DC
Wind I	1.5 to 2.99 MW	5,000 kW AC
Wind II	3.0 to 5.0 MW	
Anaerobic Digestion I	150 to 500 kW	1,500 kW AC
Anaerobic Digestion II	501 kW to 1 MW	
Small Scale Hydropower I	10 to 250 kW	
Small Scale Hydropower II	251 kW to 1 MW	
Total		25,000 kW

Rhode Island Distributed Generation Board
Recommended Ceiling Prices (¢/kWh), by Technology Class

Technology and Eligible Class	Ceiling Price w/ITC	Ceiling Price w/PTC	Ceiling Prices No Federal Incentives
Small Solar I – Host Owned (15 Year Tariff)*	41.35	N/A	N/A
Small Solar I – Host Owned (20 Year Tariff)*	37.75	N/A	N/A
Small Solar I – Third Party Owned/Financed*	32.95	N/A	N/A
Small Solar II*	29.80	N/A	N/A
Medium Solar*	24.40	N/A	N/A
Commercial Solar*	20.95	N/A	N/A
Large Solar*	16.70	N/A	N/A
Wind I	18.40	19.85	22.75
Wind II	18.20	19.45	22.35
Anaerobic Digestion I	N/A	20.20	20.60
Anaerobic Digestion II	N/A	20.20	20.60
Small Scale Hydropower I	N/A	19.80	21.35
Small Scale Hydropower II	N/A	18.55	20.10

* The DG Board only considered Ceiling Prices which included ITC incentives for solar technology classes.

**Anaerobic Digestion and Small Scale Hydropower technology classes modeled assuming the PTC only.