

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: THE NARRAGANSETT ELECTRIC COMPANY** :  
**d/b/a NATIONAL GRID'S RENEWABLE** : **DOCKET NO. 4536-A**  
**ENERGY GROWTH PROGRAM PROPOSAL** :

**RHODE ISLAND DISTRIBUTED GENERATION BOARD'S** :  
**2015 RENEWABLE ENERGY GROWTH CEILING** : **DOCKET NO. 4536-B**  
**PRICES, CLASSES AND TARGETS** :

**ORDER**

WHEREAS, On November 30, 2014, The Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed with the Public Utilities Commission (PUC) its first proposed Renewable Energy Growth Program Tariffs and Enrollment Rules; and

WHEREAS, The Company's Renewable Energy Growth Program Enrollment Rules address the rights and obligations of Renewable Energy Growth Program participants and of the Company; and

WHEREAS, The Company's Renewable Energy Growth Program Tariffs set forth the performance-based payments made to Renewable Energy Growth Program participants based on the ceiling prices proposed, and subsequently approved by the PUC;<sup>1</sup> and

WHEREAS, The Company also filed a Renewable Energy Growth Program cost recovery tariff for review by the PUC; and

WHEREAS, Intervenor Wind Energy Development, LLC objected to certain provisions within the Renewable Energy Growth Program Enrollment Rules, including timelines and the lack of zonal incentives for projects located in specific geographic locations; and

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<sup>1</sup> The initial filing included placeholders for the classes, targets, and ceiling prices, pending a filing from the Distributed Generation Standards Board. All filings related to this matter can be accessed on the PUC's website at <http://www.ripuc.org/eventsactions/docket/4536page.html>.

WHEREAS, On February 3, 2015, the Division of Public Utilities and Carriers (Division) filed a memorandum which raised three concerns about the tariff provisions; and

WHEREAS, On December 23, 2014, the Distributed Generation Board submitted proposed Renewable Energy Program Classes, Ceiling Prices, and Targets; and

WHEREAS, On February 9, 2015, National Grid filed rebuttal testimony and revised the proposed tariffs to incorporate the proposed ceiling prices and address the issues raised by Wind Energy Development and the Division; and

WHEREAS, On February 26, 2015, the Office of Energy Resources submitted comments supporting clarification of certain tariff language related to extensions of time and not supporting consideration of zonal incentives in the first year of the program; and

WHEREAS, On March 6, 2015, following a meeting between the parties, the Company filed a letter to summarize issues that had been settled; and

WHEREAS, On March 9, 2015, the PUC conducted an evidentiary hearing during which National Grid's witnesses, the Division's consultants, and the Distributed Generation Board's consultants were subject to cross-examination on the disputed issues; and

WHEREAS, On March 11, 2015, National Grid filed amendments to its proposed Non-Residential Renewable Energy Growth Program Tariff, which filing was followed by written comments submitted by Wind Energy Development on March 12, 2015; and

WHEREAS, On March 30, 2015, National Grid filed a redline version of its Non-Residential Renewable Energy Growth Program Tariff to reflect the proposed discretionary purchase of capacity payments from the projects by the Company and to clarify the requirement that a customer may only receive bill credits if their account is in good standing; and

WHEREAS, At an Open Meeting on March 31, 2015, the PUC considered the Distributed Generation Board's proposed 2015 Renewable Energy Growth Program Classes, Ceiling Prices, and Targets along with the Company's Renewable Energy Growth Program Tariffs, including the revised non-residential tariff, and Renewable Energy Growth Program Enrollment Rules and made the following decisions:

- (1) Approved the 2015 Renewable Energy Growth Program Classes, Ceiling Prices, and Targets along with the Company's Renewable Energy Growth Program Tariffs as filed;<sup>2</sup>
- (2) Approved the Residential Tariff as filed on February 9, 2015;
- (3) Approved the Non-Residential Tariff with the following amendments:
  - a. New language added to Sections 3(f) and 3(g) to avoid disqualification of a facility if a delay in providing an Output Certification is the result of non-completion of necessary system modifications due to no fault of the applicant, with no additional deposit requirement;
  - b. New language to the Performance Guarantee Deposit section to allow termination of an agreement and a refund of the deposit to the customer if an Act of God makes the distributed generation project incapable of obtaining an Output Certificate;
  - c. New language to Section 7(a) to reflect National Grid's obligation to seek renewable portfolio standard certification in states other than Rhode Island; to Section 11, Termination Provisions to address the process by which the Company should notify and provide for a remedy

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<sup>2</sup> Approved 2015 Renewable Energy Growth Program Classes, Ceiling Prices, and Targets are attached hereto as Appendix A and incorporated by reference.

period to a customer if there is a violation of the nameplate capacity size or other tariff violation;

- (4) Approved the Renewable Energy Cost Recovery provision as filed;
- (5) Approved the Renewable Energy Growth Program Solicitation and Process Rules for Small Scale Solar Projects; and
- (6) Approved the Renewable Energy Growth Program Solicitation and Enrollment Process Rules for Solar (Greater than 25kW), Wind, Hydro, and Anaerobic Digester Projects; and

WHEREAS, On April 8, 2015, National Grid submitted an amended Tariff to reflect the PUC's March 31, 2015 decisions; and

WHEREAS, On April 22, 2015, National Grid submitted amendments to the Renewable Energy Growth Program Enrollment Process Rules for Small Scale Solar Projects and Solar (Greater than 25kW), Wind, Hydro, and Anaerobic Digester Projects to update the effective date and add a 20-year term for certain projects; and

WHEREAS, on July 2, 2015, National Grid submitted an amendment to the Residential Tariff to reflect the Company's obligation to seek renewable portfolio standard certification in states other than Rhode Island. This amendment simply clarified that National Grid had the same obligations under the Residential Tariff as it did under the Non-Residential Tariff and constituted an administrative amendment, not adversely affecting customers' rights or obligations under the tariff. No rates were affected by this amendment.

Accordingly, it is hereby

(23626) ORDERED:

1. The 2015 Renewable Energy Growth Program Classes, Ceiling Prices, and Targets, filed by the Distributed Generation Board on December 23, 2014, are hereby approved for effect April 1, 2015.
2. The Narragansett Electric Company d/b/a National Grid's Renewable Energy Growth Program Tariff for Residential Customers, filed on February 9, 2015, is hereby approved for effect April 1, 2015.
3. The Narragansett Electric Company d/b/a National Grid's Renewable Energy Growth Program Tariff for Non-Residential Customers, filed on April 8, 2015, is hereby approved for effect April 1, 2015.
4. The Narragansett Electric Company d/b/a National Grid's Renewable Energy Growth Enrollment Rules for Residential Customers, filed on April 22, 2015, is hereby approved for effect April 1, 2015.
5. The Narragansett Electric Company d/b/a National Grid's Renewable Energy Growth Enrollment Rules for Non-Residential Customers, filed on April 22, 2015, is hereby approved for effect April 1, 2015.
6. The Narragansett Electric Company d/b/a National Grid's Renewable Energy Growth Program Tariff for Residential Customers, as amended on July 2, 2015, is hereby approved for effect April 1, 2015.

EFFECTIVE AT WARWICK, RHODE ISLAND ON APRIL 1, 2015 PURSUANT TO AN OPEN MEETING DECISION ON MARCH 31, 2015. WRITTEN ORDER ISSUED JULY 1, 2019.

PUBLIC UTILITIES COMMISSION



*Margaret E. Curran*

Margaret E. Curran, Chairperson

\*Paul J. Roberti, Commissioner

\*Herbert DeSimone, Commissioner

\*Commissioners Roberti and DeSimone concur with the decision but are unavailable for signature.

**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.

# APPENDIX A

## 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

<b>Technology</b>	<b>Eligible Class</b>	<b>kW Allocations</b>
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	
<b>Total</b>		25,000 kW

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

<b>Technology and Eligible Class</b>	<b>Ceiling Price w/ITC</b>	<b>Ceiling Price w/PTC</b>	<b>Ceiling Prices No Federal Incentives</b>
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.