

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

IN RE: THE OFFICE OF ENERGY RESOURCES :
BUDGET REQUESTS TO PERFORM CEILING : **DOCKET NO. 4604**
PRICE SERVICES OR STUDIES FOR THE :
RENEWABLE ENERGY GROWTH PROGRAM :

ORDER

On November 7, 2018, the Rhode Island Office of Energy Resources (OER), in collaboration with the Distributed Generation Board (DG Board), sent a letter to the Public Utilities Commission (Commission) requesting funding not to exceed \$85,000 to retain the services of a consultant pursuant to R.I. Gen. Laws §39-26.6-4(b).¹ OER stated that the consultant would be retained to perform the ceiling price studies in the 2020 Renewable Energy Growth program year.² For the first time, the funding request included \$17,000 to analyze possible location-based ceiling prices.³ During the discovery phase, OER withdrew the request for the location-based analysis, reducing the request to \$65,000.⁴

OER Staff explained that the consultant agreement included a budget cap of \$57,570.⁵ The budget request included a not-to-exceed amount above that cap to allow OER and the DG Board to expand the scope of the study, and thus its cost, in response to market conditions or enacted federal legislation. The additional amount was included because the expanded scope could be beyond the reach of the original consultant agreement.⁶ OER Staff explained that this was

¹ Letter of Andrew S. Marcaccio (Nov. 7, 2018).

² *Id.*

³ OER Staff Test. at 3; Exh. A, at 3.

⁴ OER Response to PUC 2018-1; [http://www.ripuc.org/eventsactions/docket/4604-OER-PUC1\(2018\)%20\(12-21-18\).pdf](http://www.ripuc.org/eventsactions/docket/4604-OER-PUC1(2018)%20(12-21-18).pdf).

⁵ OER Staff Test. at 4.

⁶ OER Responses to PUC 2018-1, 2018-4 through 2018-6.

consistent with previously approved budget requests and indicated that ratepayers would be refunded for any unexpended funds.⁷

OER also requested an additional amount not to exceed \$140,575 to perform a solar quality assurance study and issue a report entitled *Solar Quality Assurance Inspection Study and Report* (2019 Study).⁸ In addition to drafting and issuing the 2019 Study, OER Staff provided, the scope of work would include performing inspections, conducting a formal customer survey, and making a presentation to the DG Board and the Commission. New for 2019, the consultant would also be responsible for working with National Grid and OER to produce a Renewable Energy Growth Program Minimum Technical Requirements manual for installations as well as a training webinar for new installers and self-installers. Consistent with 2018, OER Staff stated that OER would develop an implementation plan for 2019 Study recommendations that are adopted.⁹

On January 7, 2019, the Division of Public Utilities and Carriers submitted a memorandum from John Bell, Chief Accountant, summarizing OER's requests and recommending approval.¹⁰

On January 14, 2019, the PUC reviewed the submissions in this docket and approved the \$65,000 budget request for the ceiling price studies. The PUC also approved \$132,075 of the requested funding for the 2019 Study, the amount attributable to the tasks that had been approved for previous quality assurance studies and reports. The PUC deferred ruling on the \$8,500 for the two new tasks until it completed its review in the 2019 Renewable Energy Growth Program matter, then-pending before the PUC.¹¹

⁷ OER Staff Test. at 4.

⁸ OER Staff Test. at 7.

⁹ OER Staff Test. at 9.

¹⁰ Division of Public Utilities and Carriers Mem. (Jan. 7, 2019).

¹¹ *Id.* at 7-9. See hearing and discovery in Docket No. 4892, In re: 2019 Renewable Energy Growth Program Classes, Ceiling Prices and Capacity Targets and 2019 Tariffs and Solicitation and Enrollment Rules; <http://www.ripuc.org/eventsactions/docket/4892page.html>.

On February 14, 2019, after reviewing the relevant submissions in this docket and in the 2019 Renewable Energy Growth Program docket, the PUC approved the remaining \$8,500. It found that the evidence supported including funding for the additional tasks.

The PUC questioned why funding for quality assurance studies should be borne by ratepayers. It noted that if the problems being found during inspections are related to installations, it is unclear that these are true ratepayer or PUC-regulatory issues. The primary beneficiaries of better installations would seem to be the participants in the Renewable Energy Growth program. Accordingly, the PUC stated that it will consider whether Renewable Energy Growth program participants or developers should be responsible for the cost of these studies in the future. Therefore, the PUC also invited comments from the parties in this docket, on the issue of whether the Renewable Energy Growth participants or developers participating in the Renewable Energy Growth program should pay for the cost of the quality assurance studies. Comments are due by May 16, 2019.

Accordingly, it is hereby

(23523) ORDERED:

1. The Rhode Island Office of Energy Resources' requests for funding to retain the services of a consultant to perform the 2019 ceiling price services for the Renewable Energy Growth Program in an amount not to exceed \$65,000 and for funding to perform a study of renewable energy installation quality in an amount not to exceed \$145,575 are approved.
2. The Public Utilities Commission seeks comments on the issue of whether the Renewable Energy Growth participants or developers participating in the Renewable Energy Growth program should pay for the cost of the quality assurance studies. Comments are due by May 16, 2019.

EFFECTIVE AT WARWICK, RHODE ISLAND, PURSUANT TO OPEN MEETING DECISIONS ON JANUARY 14, 2019, AND FEBRUARY 14, 2019. WRITTEN ORDER ISSUED APRIL 12, 2019.

PUBLIC UTILITIES COMMISSION



Margaret E. Curran

Margaret E. Curran, Chairperson

Marion S. Gold

Marion S. Gold, Commissioner

Abigail Anthony

Abigail Anthony, 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.