

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CLEAN ECONOMY DEVELOPMENT, LLC'S :
PETITION FOR DECLARATORY JUDGMENT ON : DOCKET NO. 4670
RHODE ISLAND GENERAL LAWS § 39-26.4 NET METERING:

COMMISSION'S FIRST SET OF DATA REQUESTS
DIRECTED TO CLEAN ECONOMY DEVELOPMENT, LLC
(Issued November 16, 2016)
(Response November 30, 2016)

- 1-1. Please explain the relationship between Clean Economy Development, LLC and the unidentified public housing authorities.

Response: Clean Economy Development, LLC ("CED") is a professional consulting firm providing finance and project development expertise to the renewable energy industry. CED's public clients include the City of Central Falls, the Town of West Warwick, and the Town of North Smithfield. Each of these municipal entities has entered into remote net metering contracts for municipal and school department accounts. The public housing authorities of these municipalities are considering entering into remote net metering contracts. Other municipalities and their public housing authorities are considering entering into remote net metering contracts. CED seeks clarity as to the eligibility of public housing authorities to enter into in the un-capped existing public entity net metering program for public entities to properly advise current and potential future clients.

- 1-2. Who will be the owner of the renewable net metering system?

Response: It is undetermined who will own the renewable net metering system. The two primary means of project ownership are A) direct ownership and B) third party ownership. Either is permitted for public entities per the rules on public entity net metering finance agreements. R.I. Gen. Laws §39-26.4-2(16). Ownership decisions will be made on a project by project basis, based on various factors including, but not limited to project economics, availability to secure incentives, access to capital, etc. For example, the Town of West Warwick opted to purchase their renewable energy system, while the City of Central Falls opted for a public entity net metering financing arrangement.

- 1-3. Will the public housing authority allocate the net metering credits?

Response: Yes, in accordance with National Grid's net metering tariff Schedule B.

1-4. To which account(s) may the public housing authority allocate net metering credits?

Response: Any accounts controlled/managed by the public housing authority pursuant to the definition of “Eligible Net Metering System, R.I. Gen. Laws §39-26.4-2(5).

1-5. Do the unidentified public housing authorities own the housing as a public agency?

Response: Yes.

1-6. In the community remote net metering provisions of 2016 Pub. Law 149, there is a requirement that the value of the credits shall be used to provide benefits to tenants. Please explain whether there is any similar requirement for public entities. If not, is there any analysis of how tenants will benefit from public housing remote net metering arrangements under a public entity definition?

Response: In community remote net metering, the requirement that the value of the credits must be used to benefit the tenants is a requirement for a “Low- or moderate-income (“LMI”) housing eligible credit recipient.” While a LMI *may* include housing units owned and operated by a public agency, LMI units are not limited to public ownership. LMI units may be owned by non-profit organizations and private entities. LMI units are distinct from public housing authority units.

The “benefit to tenants” requirement in 2016 Pub. Law 149 does not apply to “public entities” including public housing authorities. Therefore, as set out in the Petition (see pages 2, 5-6), public housing authorities may elect to net meter per the rules for “public entities” (ie, no program cap, public entity net metering finance agreement, etc) or claim credits as an LMI under the community remote net metering program (capped, show benefit to tenants, etc.). The tenants clearly receive benefits in either scenario. HUD funds public housing through an annual operating fund. Public Housing Authorities typically cannot generate operating surpluses and even if they do, HUD can recoup the surplus funds. However, if a public housing authority reduces its operating expenses through energy saving measures, the savings can go toward other building and/or HUD approved operational improvements that directly benefit the tenants.