

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

Petition of Tesla, Inc. and Sunrun, Inc. for  
Declaratory Judgment or an Advisory Ruling on  
Rhode Island General Laws §39-26.4, the Net-  
Metering Act

**Docket No. 4743**

**MOTION TO REOPEN**

In an Open Meeting held November 28, 2017 in the above-captioned docket, the Commission voted to grant the Tesla, Inc. (“Tesla”) and Sunrun, Inc. (“Sunrun”) Petition for Declaratory Judgment or an Advisory Ruling (“Petition”), as modified by the Commission in the Meeting. Pursuant to Rule 1.26(a)(1) of the Public Utilities Commission’s (“Commission’s”) Rules of Practice and Procedure, Tesla, Inc. (“Tesla”) hereby moves to reopen the above-captioned proceeding for the limited purpose of addressing said modification.

Tesla first wishes to thank the Commission for granting the Petition; and to thank the Division of Public Utilities and Carriers (the “Division”), the Office of Energy Resources, the Narragansett Electric Co. d/b/a National Grid (“National Grid”), Sunrun and the Northeast Clean Energy Council (“NECEC”), for their thoughtful contributions to this proceeding. Tesla now requests the opportunity to address the modification made in the Meeting, which was presaged in the Open Meeting Notice issued on Wednesday, November 22, 2017, at 4:56 PM.

The Notice correctly announced that Tesla and Sunrun requested a declaratory judgment on the net eligibility of certain solar power generation systems where: **[1]** the solar power generating system is no greater than 25 kW AC; **[2]** the battery is charged only from the solar power generation system; and **[3]** the customer-host does not take electric supply service under a time-varying or time-of-use (“TOU”) rate (“Rhode Island Small Scale Solar+Storage”). However, the Notice also stated that in its Reply Comments, Tesla agreed to a requirement that the battery will not discharge to the electric grid. While

Tesla acknowledges its Reply, Tesla is concerned that the Notice might have suggested that Tesla had invited the imposition of an *express* discharge limit as a fourth, or additional, condition of net metering eligibility. As such construction does not fully capture Tesla’s position, Tesla respectfully submits there is good cause to re-open the proceeding before issuance of a written order, for the limited purpose of allowing Tesla to further explain its position on discharge for the Commission. Specifically, Tesla wishes to explain that the ability to discharge remains critically important to the Petition; and that a limit on discharge could at best be unnecessary, or at worst, an impediment to Rhode Island’s further advancing its well-known leadership in energy efficiency.<sup>1</sup>

Over the course of this proceeding, Tesla explained that customer-sited, behind-the-meter energy storage, can provide the largest number of services to the customer (through, e.g., back-up power, and increased solar energy self-consumption); to the grid (for example, through distribution deferral, transmission congestion relief, and resource adequacy); and even ISO services (through energy arbitrage, spin and non-spin reserves, frequency regulation, voltage support, and black start), but that many of these benefits cannot be realized unless the battery is able to export stored clean energy to the grid.<sup>2</sup> Thus, a limit on export could result in Rhode Island’s rendering itself unable to take advantage of the many benefits storage has to offer, and that other jurisdictions are deploying.<sup>3</sup>

To the extent there is concern that “possible” “future” TOU-based rates would provide an incentive for arbitrage,<sup>4</sup> all parties concurred that an additional docket to address conditions other than those proposed in the Petition would be warranted at such time as those rates came into being.<sup>5</sup> However, the Petition predicated the assumption of net metering eligibility on the fact that today, there are no such rates. Indeed, the Division itself noted during the course of this proceeding that economic forces (chiefly,

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<sup>1</sup> Rhode Island has consistently landed in one of the top five positions on the American Council for an Energy-Efficient Economy’s (“ACEEE”) scorecard in recent years. See <http://aceee.org/state-policy/scorecard>.

<sup>2</sup> See Petition, p. 10.

<sup>3</sup> See Sunrun Reply Comments, pp. 3 – 5.

<sup>4</sup> See Division Comments, pp. 4 – 5.

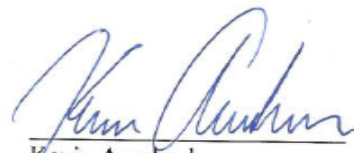
<sup>5</sup> See Tesla Reply Comments, pp. 1 – 2; and Sunrun Reply Comments, pp. 2 – 3.

the lack of TOU-based rates) impact the practices of customer-hosts.<sup>6</sup> Thus, an actual constraint on discharge would be meaningless, where today's rates preclude price arbitraging.

Based on the foregoing, and based on the fact that no party, including National Grid,<sup>7</sup> requested a formal constraint on discharges, Tesla hereby requests that the Commission not impose a requirement that Rhode Island Small Scale Solar+Storage facilities limit exports in order to be found net metering eligible.

Tesla will be pleased to address the net metering eligibility and treatment of systems under different system configurations, use-cases, sizes and rate structures, including time-varying rates; and the slew of implementation issues (including criteria for export) that have been and may be later identified in the forthcoming separate, broader inquiry that the Commission also voted to order.

Respectfully submitted,



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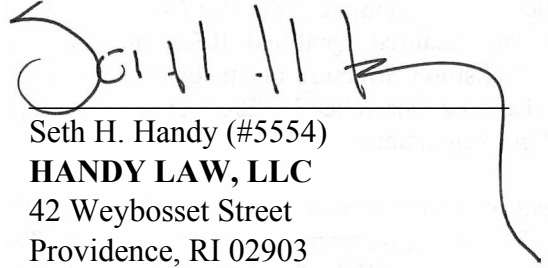
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<sup>6</sup> See Tesla Reply Comments, p. 3, citing the Division's Comments, at pp. 4 – 5.

<sup>7</sup> See National Grid's Initial Comments, p. 2, stating: "For the most part, National Grid's Policy and Technical Concerns are mitigated where the Solar+Storage facility is 25 kW (AC) or less, the battery charges only from the solar facility, and *either* the battery does not export to National Grid's EPS *or* the battery exports to the EPS subject to specific limitations on rate classification for such exports in essence the Rhode Island Small Scare Solar+Storage facilities that are the subject of Tesla and Sunrun's Petition." (emphasis added). See also National Grid's Reply Comments, pp. 1 – 2, which agree with the Division that National Grid should have the right to inspect the Rhode Island Small Scale Solar+Storage facilities "to ensure that the battery is charged only from the solar facility, and the violations of the net metering eligibility requirements would result in the customer's loss of net metering status." Thus, National Grid has not sought an express discharge prohibition. Rather, in its Initial Comments, National Grid indicated that a "criteri[on] imposed on eligibility (such as . . . energy exports)" was one of the "Policy and Technical Concerns" that "[f]or the most part . . . are mitigated" where a paired facility is a Rhode Island Small Scale Solar+Storage facility, as set forth in the Tesla and Sunrun petition. National Grid Initial Comments, p. 2.

(Admitted Pro Hac Vice)

By its Attorney,

A handwritten signature in black ink, appearing to read 'Seth H. Handy', written over a horizontal line.

Seth H. Handy (#5554)

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