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October 25, 2021

Luly Massaro  
Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

Re: Block Island Utility District – Net Metering Tariff Advice

Dear Luly:

Please accept this letter of transmittal as a tariff advice pursuant to Commission Rule 1.10(C) on behalf of Block Island Utility District d/b/a Block Island Power Company.<sup>1</sup>

The primary purpose of BIUD's proposed net metering program is to implement the recently enacted revisions of R.I.G.L. § 39-26.4-3 by increasing the maximum aggregate amount of net metering from the existing cap of 3% of BIUD's peak load to a higher cap of 10% of BIUD's

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<sup>1</sup> Commission Rule 1.10(C) states:

“1. Public utilities may file tariffs adding new services, providing for new rules, or otherwise adding to their tariff schedules without amending existing tariffs by tariff advice. Public utilities may also file minor changes to existing schedules by tariff advice. The tariff advice must include a letter of transmittal from the utility listing all tariff pages changed or added by the tariff advice and stating briefly the reason for filing the tariff advice. If existing tariffs are changed, the advice must contain two legible copies of each changed page, one showing all the changes with appropriate symbols for deletions or additions (see "Public Utilities Commission's Guidance on Formatting Tariffs"), and one showing the pages after the changes as they will appear in the new tariffs.

2. No tariff advice can be effective unless thirty (30) days' notice is given to the public, the Division, the Attorney General, and any other known parties, by the utility. The utility must provide proof of notice to the Clerk.

3. In the absence of an order approving or suspending the tariff advice, the tariff advice not suspended or approved goes into effect thirty (30) days after notice or on the proposed effective date, whichever is later. If a tariff advice is suspended, the Commission will open a formal proceeding and treat the tariff advice as an application.”

peak load.<sup>2</sup> The proposed tariff would become effective December 1, 2021.

Under the proposed tariff, net metering systems will be available to any residential or commercial customer until the proposed cap of 10% is reached. Net metering systems installed prior to December 31, 2019, would be grandfathered in under the existing net metering policy (effective January 1, 2018) until the member replaces or upgrades their existing system.

Enclosed please find:

- (1) BIUD's proposed net metering tariff;
- (2) BIPCo's existing net metering policy (effective January 1, 2018); and
- (3) Proposed notice for Commission review and comment.

If you need any further information, please do not hesitate to contact me.

Very truly yours,



Leah J. Donaldson

Encl.

Cc: Jeffrey M. Wright  
Cynthia Wilson-Frias, Esq.  
Christy Hetherington, Esq.  
Tiffany Parenteau, Esq.

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<sup>2</sup> R.I.G.L. § 39-26.4-3 states in relevant part:

“(a) The following policies regarding net metering of electricity from eligible net-metering systems and community remote net-metering systems and regarding any person that is a renewable self-generator shall apply: (1)(i) The maximum allowable capacity for eligible net-metering systems, based on nameplate capacity, shall be ten megawatts (10 MW), effective sixty (60) days after passage. The aggregate amount of net metering in the Block Island Utility District doing business as Block Island Power Company and the Pascoag Utility District shall not exceed a maximum percentage of peak load for each utility district as set by the utility district based on its operational characteristics, subject to commission approval...”

**BLOCK ISLAND UTILITY DISTRICT  
NET METERING**

**POLICY**

This policy sets forth interconnection requirements, equipment specifications, and proposed metering for Block Island Utility District consumer/members who may choose self-generation of electric energy using photovoltaic (PV), or wind co-generation electric generating equipment. The program is available to all customers regardless of consumer class.

**DEFINITIONS**

“Net metering” means a system of metering electricity in which Block Island Utility District credits a Block Island Utility District consumer/member for generation.

“Net Metering System” means the system that includes the consumer/member’s generator and interconnecting equipment.

“Consumption Meter” means the meter for which all consumer/member usage is metered though and billed at the appropriate retail rate.

“Generation Meter” means the meter for which all generation is metered through and credited at the Net Metering Rate.

“Generation Credit” means the credit allocated to the consumer/member’s bill in the form of a bill credit for all metered generation. The Generation Credit which will be based on the Utility District’s Standard Offer and Transmission Rates – minus – the Non-Bypassable Charges imbedded within those rates. Examples of Non-Bypassable Charges are National Grid’s Direct Assignment Facilities fixed charges and BIUD’s amortization of the transmission interconnection.

“Non-Bypassable Charges” means those portions of the Utility District’s Standard Offer and Transmission Rates that are fixed and not a function of consumption or production.

“Power Supply and Transmission Rates” means those tariffs that identify specific variable and non-bypassable charges that are used in calculating the Net Metering Rate.

“Annual Reconciliation” means the regulatory filing done annually to determine the Standard Offer, Transmission and Net Metering Rate.

“Utility District” means the Block Island Utility District d/b/a Block Island Power Company.

## GENERAL PROVISIONS

1. The Utility District will continue to administer its existing program for those Net Metering Systems installed prior to December 31, 2019 as set forth in the Net Metering Policy effective January 1, 2018 until which time the consumer/member replaces, or upgrades an existing system which changes the rated nameplate AC output of the Net Metering System.
2. Pursuant to this Net Metering Policy, the Utility District will offer net metering to all residential or commercial consumer/members who generate electricity, metered by a separate generation meter that has remote disconnect capabilities.
3. Net Metering Systems will be required to be metered separately from the consumer/members Consumption Meter. The Generation Credit will be applied to the consumer/member's specific retail account.
4. Net Metering Systems are limited in size by the member's annual consumption history (or estimate for new construction). Each new Net Metering System must be sized so that the estimated net metered production is no greater than 125% than the annual consumption of the account that system is connected to. Each Net Metering System will be reviewed on a case-by-case basis. The Utility District reserves the right to limit the size of any proposed project for technical interconnection reasons.
5. The maximum size of any one project will be not more than 10% of the remaining net metering capacity at the time the application is submitted.
6. The Utility District will continue to allow Net Metering Systems to be installed until the total installed nameplate DC output capacity of all Net Metering Systems reaches 10% of the Utility District's most recent annual peak load (approximately 500 kW). The Utility District's rooftop solar array shall not be included in the net metering cap.
7. The customer is solely responsible for securing and complying with all local permitting processes including zoning; electrical, building inspection, and all other special permits that may be required.
8. Eligible generating sources include energy resources as described by and pursuant to §39-26-5(a), including sources which simultaneously generate electricity and recover heat. Traditional gasoline, diesel, propane, or natural gas fired portable or permanently mounted emergency generators are explicitly excluded from this policy.

## METERS AND METERING

1. PV and wind systems require the installation of a smart (AMI) meter by the Utility District. An additional meter socket (meter type and location must be approved by the Utility District) will be installed by the customer to measure the amount of electricity produced by the generating facility. The Utility District will reimburse residential members up to \$1,000 towards

the cost to install the second meter socket. Proof of expenses must be provided to the Utility District.

2. The generating facility must be inverter-based.
3. The aggregate generation capacity on the distribution circuit to which the Net Metering system will interconnect, including the capacity of the Net Metering system shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level that is nearest the proposed point of common coupling.
4. If a single-phase Net Metering System is to be connected to a transformer center tap neutral of a 240 volt service, the addition of the Net Metering system shall not create an imbalance between the two sides of the 240 volt service of more than 20% of nameplate rating of the service transformer.
5. The consumer/member shall be required to install a manual-disconnect located on the line side, within 10 feet of the meter, and outside of the residence or building that the Net Metering system serves. Disconnect must be clearly labeled, unlocked and readily accessible by utility personnel.
6. The interconnecting consumer/member will be responsible for reasonable and necessary costs incurred by the Utility District for the purchase, installation, operation, maintenance, testing, repair and replacement of metering and data acquisition equipment.
7. If, at any time any metering equipment is found to be inaccurate by a margin greater than that allowed under applicable rules and standards, the Utility District shall cause such metering equipment to be made accurate or replaced. The cost to repair or replace the meter shall be borne by the Utility District. Meter readings for the period of inaccuracy shall be adjusted so far as the same can be reasonably ascertained; provided, however, no adjustment prior to the beginning of the preceding month shall be made except by agreement of the Parties. Each Party shall comply with any reasonable request of the other concerning the sealing of meters, the presence of a representative of the other Party when the seals are broken and the tests are made, and other matters affecting the accuracy of the measurement of electricity delivered from the Facility. If either Party believes that there has been a meter failure or stoppage, it shall immediately notify the other.

## GENERATION CREDITS AND SAMPLE CALCULATIONS

The amount credited to the consumer/member for electricity produced by the Net Metering System, shall be at the Generation Credit rate regardless of the type of generating facility.

The Generation Credit will be set annually and filed with the Utility District's Annual Power Supply and Transmission Reconciliation Filing with the RI-PUC. The Generation Credit will be reviewed and approved with the Utility District's Power Supply and Transmission rate and the new Generation Credit will change and be in effect at the same time as the Power Supply and Transmission Rate change.

The formula used to calculate the Generation Credit will be as follows: Power Supply Service + Transmission – (Direct Assignment Facilities “DAF” Charges + Block Island Transmission System “BITS” Charges + BIUD Interconnection Amortization Expenses).

Each consumer/member’s net metering bill will undergo a monthly reconciliation of the Generation Credit and Consumption Metered usage. In the event the amount due on the consumer/member’s bill is a negative number, this amount will be carried over to their next bill as a credit. If a credit is maintained for more than two years, the member/consumer will forfeit the credit balance.

## DISCONNECTION DURING OPERATING EMERGENCIES

The Utility District requires any Net Metering System will have a remote disconnect install that allows the Utility District to disconnect the Net Metering System from the system disrupting generation output during system emergencies. The Utility District reserves the right to deem what constitutes a system emergency and is not required to notify the consumer/member beforehand, but rather will report system emergencies that resulted in disrupting the Net Metering System’s generation in the next billing cycle.

The remote disconnect will be provided by the Utility District and will be controlled only by them.

## REQUIREMENTS FOR INVERTER-BASED SYSTEMS

1. The Utility District’s distribution circuits generally operate with automatic re-closers, which activate following a fault and line trip. The consumer/member is responsible for protecting their net metering equipment from being re-connected out of sync with the Utility District's system.
2. For Net Metering Systems that utilize PV technology, the system shall be installed in compliance with IEEE Standard 929-2000, “IEEE Recommended Practice for Utility Interface of PV Systems.” The inverter shall meet the Underwriters Laboratories Inc. Standard UL 1741, “Static Inverters and Charge Controllers for Use in PV Power Systems.” Based on the information supplied by the interconnecting consumer/member, if the Utility District determines the inverter complies with UL 1741, the interconnecting consumer/member’s request for interconnection will be approved.
3. For Net Metering Systems that utilize wind technology or other direct current energy sources and employ inverters for production of alternating current, the inverter shall meet the Underwriters Laboratories Inc. Standard UL 1741, “Static Inverters and Charge Controllers for Use in Photovoltaic Power Systems.” Based on the information supplied by the interconnecting consumer/member, if the Utility District determines the inverter complies with UL 1741, the consumer/member's request for interconnection will be approved,

4. The interconnecting consumer/member shall submit the following information for review and acceptance by the Utility District prior to approving the interconnecting consumer/member's request for interconnection:

- An electrical one-line diagram or sketch depicting how the inverter will be interconnected relative to the service entrance panel and the electric revenue meter.
- The make, model, and manufacturer's specification sheet for the inverter.

#### FORCE MAJEURE

An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond either party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither the Utility District, nor the interconnecting consumer/member will be considered in default as to any obligation under these requirements if prevented from fulfilling the obligation due to an event of Force Majeure. However, a party whose performance is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under these requirements.

#### INDEMNIFICATION

The interconnecting consumer/member shall at all times indemnify, defend, and hold the Utility District harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Utility District's performance of its obligations under these requirements on behalf of the interconnecting consumer/member except in cases of gross negligence or intentional wrongdoing by the Utility District.

#### PROTECTION REQUIREMENTS

If, due to the interconnection of the facility, when combined with pre-existing facilities interconnected to the Utility District's system, the rating of any of the Utility District's equipment or the equipment of others connected to the Utility District's system will be exceeded or its control function will be adversely affected, the Utility District shall have the right to require the interconnecting consumer/member pay for the purchase, installation, replacement or modification of equipment to eliminate the condition. Where such action is deemed necessary by the Utility District, the Utility District will, where possible, permit the interconnecting consumer/member to choose among two or more options for meeting the Utility District's requirements as described in this protection policy.

## ACCESS AND CONTROL

Representatives of the Utility District shall, at all reasonable times, have access to the Net Metering System to make reasonable inspections. At the Net Metering System, the Utility District's representatives shall identify themselves to the interconnecting consumer/member's representative, state the object of their visit, and conduct themselves in a manner that will not interfere with the construction or operation of the facility.



# BLOCK ISLAND POWER COMPANY

## Net Metering Policy, effective January 1, 2018

Approved by BIPCo Board of Directors, December 20, 2017

The Board of Directors of the Block Island Power Company (BIPCo) hereby ratifies BIPCo's voluntary Net Metering Policy as follows, effective January 1, 2018 for a period of one (1) year.

**Eligible Installations:** All installations that use renewable energy resources as defined in R.I.G.L. § 39-26.4-2(1) are eligible for net metering only if they are:

privately owned and located on parcels for that customer's residential use exclusively, and conform to Block Island Ordinances, including all Planning and Zoning requirements, and Block Island's Comprehensive Plan, and are

certified by the Town Building Inspector and BIPCo to be a proper installation, and are

installed by an electrician who is licensed by the State of Rhode Island to install solar units or any other appropriate electrical generating units that rely on renewable energy resources and that

the installer must possess and furnish to BIPCo proof of all required licenses, to include, but not limited to a current Rhode Island Renewable Energy Professional license, and that the

total wattage by plate of all units does not exceed 3% of BIPCo's yearly peak.

The Block Island Post Office Building is an eligible grandfathered installation.

No installations that service non residential customers are allowed to be net metered.

All installations must have "smart meters" that will allow BIPCo to measure the amount of electricity delivered and received. (NOTE: The three existing wind turbines on Block Island have dual meters because of their age and configuration but function in the same manner as the newer smart meters and will be considered to be smart meters for this purpose).

All accounts will be reconciled monthly.

The total capacity of the current, non-grandfathered accounts plus future installations of all types may not exceed 3% of BIPCo's previous year's peak. Once the cap is reached, BIPCo will not allow additional net metering, unless the cap is increased by BIPCo.

Net Metering Credit- "Excess Renewable Net Metering Credit" means a credit that applies to each eligible net metering system for that portion of the renewable self-generator's production of electricity beyond one hundred percent (100%) of that generator's individual consumption. The self-generator will not be given any credit for the production of electricity greater than one hundred twenty-five percent (125%) of the renewable self-generator's own consumption. This production and consumption of electricity must take place at the eligible net metering system site during the applicable billing period.

The applicable billing period is monthly.

Such Excess Renewable Net Metering Credit shall be equal to BIPCo's avoided cost.

The customer must install equipment approved by BIPCo which prevents the flow of electricity into BIPCo's system when BIPCo's supply is out of service.

BIPCo shall have the right to disconnect any facility if in BIPCo's opinion the facility interferes or is likely to interfere with BIPCo's service to other customers.

All interconnection costs associated with the facility shall be borne by the customer.