

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN RE: 2022 RENEWABLE ENERGY GROWTH PROGRAM:
CLASSES, CEILING PRICES, AND CAPACITY :
TARGETS AND 2022 RENEWABLE ENERGY : DOCKET NO. 5202
GROWTH PROGRAM – TARIFFS AND SOLICITATION :
AND ENROLLMENT PROCESS RULES :**

**COMMISSION’S FIRST SET OF DATA REQUESTS
DIRECTED TO DIVISION OF PUBLIC UTILITIES AND CARRIERS
(Issued December 13, 2021)
(Responses due January 10, 2022)**

- 1-1. On page 34 of Mr. Kennerly’s testimony, lines 1-8, Mr. Kennerly stated that with respect to the capacity factors that should be used for the Small Solar classes, “[o]nly the DPUC responded to the comment request, and proposed selecting the approach that averaged the 14% PVWatts value and the 12.8% value from Narragansett Electric’s analysis.”
- a. Please confirm that this is the Division’s position.

Answer: The Division did not propose the approach that averaged the two values. In its written comments, the Division expressed potential support for this approach but requested that National Grid provide more information on the study including confirmation that the study focused on the first year of production for each project and the number of projects that were evaluated. The Division acknowledges that the testimony of Jim Kennerly was revised on December 15, 2021 to remove the statement that the DPUC proposed the use of an average and correctly state that Division expressed support for potentially incorporating actual production data from operating projects as an input to the development of this factor.

- b. Please explain why the averaging is appropriate.

Answer: The Division believes that where actual data exists that can support the development of inputs utilized in the development of the ceiling prices, it is appropriate to take this data into consideration, especially where this data involves actual projects in Rhode Island. Recognizing that the PVWatts value reflects a more optimal facility configuration in terms of tilt, azimuth and shading the Division believes that applying a value that is the average of this optimal value and the average actual observed capacity factor balances the desire to achieve optimal siting with the reality that some projects may not be able to achieve the optimal siting characteristics. Furthermore, the resulting value of ~13.4% was close to the high end of the 95% confidence interval from the National Grid study meaning that the new average value closely targets the capacity factor of the most efficient projects actually built and included in the National Grid analysis.

- 1-2. On the prior page, Mr. Kennerly explained that “lower in-practice capacity factors tend to result from non-optimal tilt and azimuth angles associated with projects sited on rooftops (and which are often partially shaded).”
- a. Please explain whether the Division believes reducing the capacity factors used to set the ceiling prices encourages or discourages better design by those selling REGrowth systems to customers.

Answer: The Division recognizes that reducing the capacity factor increases the resulting ceiling price and therefore makes it more likely that a project with sub-optimal characteristics for one or more of tilt, azimuth and shading will result in economics favorable enough to proceed with development. With that said, developers selling REGrowth systems have every incentive to optimize the design to the maximum extent possible at each customers location.