



January 5, 2022

Chairperson Ronald T. Gerwatowski
Commissioner John C. Revens, Jr.
Commissioner Abigail Anthony
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Dear Commissioners:

The Distributed Generation Board (DG Board)¹ and the Rhode Island Office of Energy Resources (OER)² appreciate the Public Utilities Commission's (Commission) consideration of the Carport Adder Pilot Program (Carport Pilot Program) over the past two years of the Renewable Energy Growth Program (REG).

The Carport Pilot Program has enabled several carport solar projects to be developed and has demonstrated the state's interest in pursuing alternatives to greenfield development as an important part of our local clean energy portfolio. Rhode Island will need to deploy a variety of programs and policies to meet state energy and environmental objectives. The carport adder represents an important programmatic, policy, and market signal for investment in a specific resource type that is compatible with land use preferences and is entirely consistent with the 2021 Act on Climate. Moreover, because it is limited in scale and implemented through the REG program, the Carport Pilot Program has been a model for responsible and cost-efficient development of renewable energy.

The DG Board and OER respect and appreciate the work that National Grid has done with the Carport Pilot Program to date. However, after public discussions at our meetings on October 25, 2021 and again on November 1, 2021, the Board opted not to vote on National Grid's 2022 REG Program Tariff and Rule Changes, as filed under PUC Docket #5202, because of the absence of a carport adder proposal. Accordingly, we respectfully request that the PUC direct National Grid

¹ These comments are respectfully submitted by the DG Board pursuant to its authorization under RIGL §42-6.2-8, the 2021 Act on Climate, and RIGL §39-26.6-4, which defines the DG Board's purpose as: "(1) Evaluate and make recommendations to the commission regarding ceiling prices and annual targets, the make-up of renewable energy classifications eligible under the distributed-generation growth program, the terms of the tariffs, and other duties as set forth in this chapter; (2) Provide consistent, comprehensive, informed, and publicly accountable involvement by representatives of all interested stakeholders affected by, involved with, or knowledgeable about the development of distributed-generation projects that are eligible for performance-based incentives under the distributed-generation growth program; and (3) Monitor and evaluate the effectiveness of the distributed-generation growth program."

² These comments are respectfully submitted by OER pursuant to RIGL §42-6.2-8, the 2021 Act on Climate, and RIGL §42-140, et. seq, the Rhode Island Energy Resources Act. OER's mission is to lead the state toward a clean, affordable, reliable, and equitable energy future. OER also serves as Executive Director of the DG Board.



to work with us and other engaged stakeholders to file a supplemental plan (by February 15, 2022) that effectuates the continuation of the Carport Pilot Program for the 2022 Program Year and beyond. We believe this action to be justified not only by state policy goals including, but not limited to, those mandated by the 2021 Act on Climate, but also by the standards of evaluation applied by the Commission.

According to testimony submitted in PUC Docket #5202, the base case and modeled sensitivities present justifiable opportunities for the continuation of a carport adder, including benefit-cost ratios greater than 1.0 under the Commission's "Rhode Island Test" developed in Docket #4600. Specifically, in the base case and sensitivities, the Commercial Solar I class offers ratios greater than 1.0, signaling net benefits for Rhode Island relative to the cost. These values were calculated using the same methodology deployed for the 2021 program year, the established cost-benefit categories from the Rhode Island Test, and have been updated (through recent research and analysis) to reflect current market conditions. A supplemental filing for the continuation of the Carport Pilot Program should include, at a minimum, an allocation for projects in the Commercial Solar I class.

In addition, we directed SEA to conduct supplemental analysis to examine a range of adder values for Commercial and Large Solar carports that would result in net benefit values of 1.0, 2.0 and 3.0 for each resource type. This analysis was responsive to stakeholder comments suggesting that a solar carport adder could still provide sufficient value to deploy incremental carport capacity even if set at a value lower than that calculated based on incremental capital and operating costs. The results demonstrate that, at varying adder levels, solar carports could be expected to produce net benefits to Rhode Island using the "Rhode Island Test." In these scenarios, development risk would remain with the private sector while reducing ratepayer costs relative to the base case. This approach warrants further consideration by all parties.

Also, while grateful for past support of the carport adder, two years of a pilot program – with regulatory uncertainty on a year-to-year basis – is simply not sufficient to make determinations on the long-term efficacy of this initiative. This is particularly true in light of COVID's impact on the economy, which has resulted in unprecedented impacts on our local clean energy workforce and industry supply chains. This point alone warrants continuation of the program – ideally, on a multi-year basis such that investor confidence is improved and project developers have the necessary time to bring solar carports to fruition.

We understand that our request, if granted, may result in a timeline that is not entirely aligned with the decision-making process and programmatic calendar for the 2022 REG Program year.³ Should this be the case, we also respectfully request that the Commission bifurcate its

³ If the Commission determines that a Carport Adder Pilot Program is warranted, the DG Board would work in earnest to develop and vote on a modified megawatt allocation plan to accommodate solar carport projects during the 2022 program year.



consideration of any supplemental carport filing so as not to create market delay for the remainder of the REG program.

Furthermore, we recognize that other aspects of state renewable energy law may also need to evolve to create more robust market signals that drive project investment away from greenfields. However, that should not be a barrier to utilizing the REG program in a way that advances these important outcomes, too. In fact, targeted use of the REG program to drive success here and now may serve as a valuable model for future policy development at greater scale.

The DG Board and OER recognize that utility regulation can involve the simultaneous balancing of several key objectives. We also acknowledge that the mandatory, enforceable greenhouse gas emissions reduction goals established by the Act on Climate requires bold, but reasonable and responsible action by all state agencies. Regarding carports, the Commission, utility, and stakeholders have managed to offer limited, but important market incentives for more sustainably-sited renewables. The approach to date has limited cost exposure and impacts on ratepayers while supporting local economic development and the expanded use of previously-disturbed sites.

Therefore, we firmly believe that the continuation of the Carport Pilot Program is a responsible and prudent means of achieving the multiple energy, economic, and environmental objectives contained in R.I. Gen. Laws §39-26.6-1,⁴ and is important for developing sustainable siting pathways needed to reduce emissions in line with the 2021 Act on Climate. We also believe that continuation of the Pilot – ideally, on a multi-year basis – is justified by the expert analysis submitted in this proceeding.

On behalf of the DG Board and OER, we thank the Commission for its consideration of these comments and look forward to supporting the work detailed above at the earliest opportunity.

Sincerely,

A handwritten signature in black ink that reads "Laura Bartsch".

Laura Bartsch
Chairperson, Distributed Generation Board

Nicholas S. Ucci
Commissioner, OER

⁴ The General Assembly's purpose for the Renewable Energy Growth Program, as enumerated in RIGL §39-26.6-1, is as follows: "The purpose of this chapter is to *facilitate and promote installation of grid-connected generation of renewable energy; support and encourage development of distributed renewable energy generation systems; reduce environmental impacts*; reduce carbon emissions that contribute to climate change by encouraging the siting of renewable energy projects in the load zone of the electric distribution company; diversify the energy-generation sources within the load zone of the electric distribution company; stimulate economic development; improve distribution-system resilience and reliability within the load zone of the electric distribution company; and reduce distribution system costs." [emphasis added]