## HB-6085 PUC - Oppose



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## STATE OF RHODE ISLAND Public Utilities Commission

Chairman Ronald T. Gerwatowski Commissioner Abigail Anthony

April 1, 2025

The Honorable Joseph J. Solomon, Jr. Chair, House Corporations Committee State House Providence, RI 02903

Re: House Bill 6085 - Net Metering

Dear Chair Solomon:

The Public Utilities Commission (PUC) provides the following comments on House Bill 6085, amending the Net Metering law. The PUC cannot support the bill because it undermines fairness and cost control policy established less than two years ago through passage of amendments to Net Metering and the Renewable Energy (RE Growth) Program.<sup>1</sup> This bill seeks to exempt certain ground-mount solar facilities that do not directly serve a customer's on-site usage from a 275 MW cap on such facilities participating in Net Metering. First, the PUC believes, as the 2023 amendments determined, the long-term policy path to fairly and cost-effectively develop renewable facilities that do not serve customers' load is through the RE Growth Program and long-term contracting, rather than through Net Metering. Even setting this policy aside, the PUC notes that there is still <u>ample capacity available</u> under the Net Metering cap on remotely sited ground-mount facilities, thus no amendment is needed.

Importantly, 2025 P.L. Ch. 300 (2023) was not just a forest conservation bill; it was designed to balance that conservation with expanded pathways forward for the development of renewable energy projects that may have previously been sited in those spaces while also attempting some cost control. While developers may prefer Net Metering, because of the 2023 law change, they now have a pathway to develop large projects such as carports and other solar installations through the Renewable Energy Growth Program. In addition, the PUC just approved a brownfield incentive pilot within that program to encourage development on such preferred sites. Nothing but a developer's business model and the anticipated financial advantage of Net Metering is prohibiting them from developing the projects as described in the amendment on preferred sites.

Placing the 275 MW cap on ground mounted facilities that are not directly serving a customer's usage while expanding capacity of the Renewable Energy Growth Program was intentional and there is no reason to change the cap. As of March 3, 2025, almost two years after passage of the cap, 213.6 MW

<sup>&</sup>lt;sup>1</sup> P.L. 2023, ch. 300, § 1, effective June 24, 2023; P.L. 2023, ch. 301, § 1, effective June 24, 2023.

or 66%) of capacity remains.<sup>2</sup> In short, the PUC believes the 2023 amendments are working as designed because there is plenty of headroom for developers and customers to adjust before the cap is hit.

Finally, for scale, the PUC notes that the net amount of 2024 net metering credits to be collected from all customers in 2025 is \$111 million. A typical residential customer using 500 kWh per month will pay \$7.30 per month on their electric bill to support this program. The vast majority of that charge is to pay for net metering credits that were produced by facilities that do not directly supply energy to any specific customer, and which can now be developed through the RE Growth Program through an open and competitive enrollment process that is designed to balance fair rates to developers and ratepayers.

Please feel free to contact me with any questions at 401-780-2147 or cynthia.wilsonfrias@puc.ri.gov.

Sincerely,

Cynothia Delanton

Cynthia G. Wilson-Frias Chief of Legal Services

Copy: Representative Speakman

<sup>&</sup>lt;sup>2</sup> There are 648.8 MW of ground mount solar in various stages of development that are not subject to the cap. <u>RIE</u> <u>Response to PUC Data Request</u> (pdf pages 60-62; contains screenshot and link to RIE publicly available queue data).