



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

Administration

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April 1, 2025

The Honorable Joseph J. Solomon, Jr.
Chairman – House Committee on
Corporations
State House
Providence, R.I. 02903

Re: **H 6085 – An Act Relating to Public Utilities and Carriers – Net Metering**

Dear Chairman Solomon:

The proposed legislation would carve out an exception to the net-metering MW cap established in 2023 and would therefore leave ratepayers exposed to unquantified future cost increases. As Rhode Island's Ratepayer Advocate, The Division of Public Utilities & Carriers opposes this legislation for the following compelling cost concerns.

In 2014, the annual cost to Rhode Island ratepayers to cover the first-year operating loss on the net-metering program created under RI Gen Laws §39-26.4 was \$177,080. From 2022 to 2023, the annual loss on the program essentially **doubled** from \$46,070,988 to \$92,218,200. By 2024, in its eleventh year of operation, the annual loss had sky-rocketed to \$111,374,524. The total program loss paid by ratepayers for this **one** eleven-year renewable energy program is \$345,549,204.¹

Current compensation awarded by ratepayers to net-metering customers, including utility scale developers (with some exceptions) includes the sum of last resort service, distribution, transmission and transition charges.² In addition to this compensation, the net-metering customer is entitled to compensation for the renewable energy credits (RECs) created by the facility. This compensation structure has led to the massive financial impacts for ratepayers identified above. Rhode Island is in the minority of states that has not comprehensively reviewed net-metering

¹ See Exhibit 1 attached, "Narragansett Electric Annual Renewable Energy Costs."

² R.I. Gen Laws 39-26.4-2 (22); <https://webserver.rilegislature.gov/Statutes/TITLE39/39-26.4/39-26.4-2.htm>.

compensation, via net-metering reform laws.³ “Over the last few years, dramatic changes to net-metering policies have become common discussions across the country, with major reforms under consideration or already adopted in more than half of U.S. states in 2024, including the largest state solar market – California.”⁴

According to the most recent Interconnection summary prepared by Rhode Island Energy for its Renewable Interconnection Quarterly Meetings, there are currently 551.96 MWs of installed name-plate capacity of solar in Rhode Island. Of these MWs, net-metering accounts for 151.66 MWs, virtual net-metering accounts for 261.26 MWs, and Renewable Energy Growth Program accounts for 136.29 MWs. Alarming for ratepayers, there are an additional 545.21 MWs of nameplate capacity waiting in the interconnection queue. Rhode Island customers have vocalized their tremendous difficulty in managing their electric bills, *without* the additional 545.21 MWs waiting in the interconnection queue or the unknown number of additional MWs outside the current cap that this legislation could create.

Therefore, The Division of Public Utilities & Carriers opposes any expansion of net-metering without an in-depth review of remuneration reforms, as unaffordable to Rhode Island ratepayers.

Sincerely,

A handwritten signature in blue ink that reads "Linda George". The signature is fluid and cursive, with the first name "Linda" and last name "George" clearly distinguishable.

Linda George, Esq.

Administrator, RI Division of Public Utilities and Carriers

CC: The Honorable Representative June Speakman
The Honorable Members of the House Committee on Corporations
Nicole McCarty, Esq., Chief Legal Counsel

³ In 2023, the credit rate was amended to be reduced by 20% after reaching the 275 MW cap.

⁴ North Carolina Clean Energy Technology Center, *The 50 States of Solar: 2024 Policy Review and Q4 2024 Quarterly Report*, January 2025.

Narragansett Electric
Annual Renewable Energy Program Costs

Year	12-Mths ending 3/31 RE Growth	Calendar Year LT Contracting	Calendar Year Net Metering	Total Annual Cost	Cummulative Total
2014	\$ -	\$ 8,168,573	\$ 177,080	\$ 8,345,653	\$ 8,345,653
2015	\$ -	\$ 11,601,804	\$ 551,915	\$ 12,153,719	\$ 20,499,372
2016	\$ 939,593	\$ 19,864,422	\$ 1,713,779	\$ 22,517,794	\$ 43,017,166
2017	\$ 2,281,826	\$ 43,496,658	\$ 3,149,512	\$ 48,927,996	\$ 91,945,162
2018	\$ 8,300,087	\$ 45,004,232	\$ 4,880,540	\$ 58,184,859	\$ 150,130,021
2019	\$ 12,930,003	\$ 59,027,877	\$ 18,822,783	\$ 90,780,663	\$ 240,910,684
2020	\$ 19,859,864	\$ 51,618,270	\$ 30,557,074	\$ 102,035,208	\$ 342,945,892
2021	\$ 21,045,299	\$ 34,046,358	\$ 36,032,809	\$ 91,124,466	\$ 434,070,358
2022	\$ 21,689,974	\$ 22,715,047	\$ 46,070,988	\$ 90,476,009	\$ 524,546,367
2023	\$ 24,104,456	\$ 49,488,070	\$ 92,218,200	\$ 165,810,726	\$ 690,357,093
2024	\$ 30,452,583	\$ 43,470,565	\$ 111,374,524	\$ 185,297,672	\$ 875,654,765
Total	\$ 141,603,685	\$ 388,501,876	\$ 345,549,204	\$ 875,654,765	

Note: These costs do not include costs associated with other state mandated programs such as Renewable Energy Standard compliance.