Introduced By: Senators Sosnowski, Euer, DiMario, Miller, Pearson, and Kallman

Date Introduced: February 08, 2022

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

SECTION 1. Section 39-26-2 of the General Laws in Chapter 39-26 entitled “Renewable Energy Standard” is hereby amended to read as follows:


When used in this chapter:

(1) "Alternative compliance payment" means a payment to the renewable energy development fund of fifty dollars ($50.00) per megawatt-hour of renewable energy obligation, in 2003 dollars, adjusted annually up or down by the consumer price index, which may be made in lieu of standard means of compliance with this statute.

(2) "Commission" means the Rhode Island public utilities commission.

(3) "Compliance year" means a calendar year beginning January 1 and ending December 31, for which an obligated entity must demonstrate that it has met the requirements of this statute.

(4) "Customer-sited generation facility" means a generation unit that is interconnected on the end-use customer's side of the retail electricity meter in such a manner that it displaces all or part of the metered consumption of the end-use customer.

(5) "Electrical energy product" means an electrical energy offering, including, but not limited to, last-resort and standard-offer service, that can be distinguished by its generation attributes or other characteristics, and that is offered for sale by an obligated entity to end-use customers.
(6) "Eligible biomass fuel" means fuel sources including brush, stumps, lumber ends and trimmings, wood pallets, bark, wood chips, shavings, slash, and other clean wood that is not mixed with other solid wastes; agricultural waste, food, and vegetative material; energy crops; landfill methane; biogas; or neat biodiesel and other neat liquid fuels that are derived from such fuel sources.

(7) "Eligible renewable energy resource" means resources as defined in § 39-26-5.

(8) "End-use customer" means a person or entity in Rhode Island that purchases electrical energy at retail from an obligated entity.

(9) "Environmental justice" means the fair treatment and meaningful involvement of all people regardless of race, color, national origin, English language proficiency, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

(10) "Existing renewable energy resources" means generation units using eligible renewable energy resources and first going into commercial operation before December 31, 1997.

(11) "Generation attributes" means the nonprice characteristics of the electrical energy output of a generation unit including, but not limited to, the unit's fuel type, emissions, vintage, and policy eligibility.

(12) "Generation unit" means a facility that converts a fuel or an energy resource into electrical energy.

(13) "High-heat medical waste processing facility" means a facility that:

(i) Generates electricity from the combustion, gasification, or pyrolysis of regulated medical waste;

(ii) Generates electricity from the combustion of fuel derived from the gasification or pyrolysis of regulated medical waste; or

(iii) Disposes of, processes, or treats regulated medical waste through combustion, gasification, pyrolysis, or any process that exposes waste to temperatures above four hundred degrees Fahrenheit (400°F).

(14) "Interested parties" means persons or organizations that can affect, be affected by or perceive itself to be affected by a decision or activity. Interested parties are not limited to those with intervenor status.

(15) "NE-GIS" means the generation information system operated by NEPOOL, its designee or successor entity, that includes a generation information database and certificate system, and that accounts for the generation attributes of electrical energy consumed within NEPOOL.

(16) "NE-GIS certificate" means an electronic record produced by the NE-GIS that
identifies the relevant generation attributes of each megawatt-hour accounted for in the NE-GIS.

(15) "NEPOOL" means the New England Power Pool or its successor.

(16) "New renewable energy resources" means generation units using eligible renewable energy resources and first going into commercial operation after December 31, 1997; or the incremental output of generation units using eligible renewable energy resources that have demonstrably increased generation in excess of ten percent (10%) using eligible renewable energy resources through capital investments made after December 31, 1997; but in no case involve any new impoundment or diversion of water with an average salinity of twenty (20) parts per thousand or less.

(17) "Obligated entity” means a person or entity who or that sells electrical energy to end-use customers in Rhode Island, including, but not limited to: nonregulated power producers and electric utility distribution companies, as defined in § 39-1-2, supplying standard-offer service, last-resort service, or any successor service to end-use customers, including Narragansett Electric, but not to include Block Island Power Company as described in § 39-26-7 or Pascoag Utility District.

(18) "Off-grid generation facility” means a generation unit that is not connected to a utility transmission or distribution system.

(19) "Predictable source of revenue” means a revenue source that is unlikely to significantly change over the useful life of a given project.

(20) "Renewable energy resource” means any one or more of the renewable energy resources described in § 39-26-5(a).

(21) "Reserved certificate” means a NE-GIS certificate sold independent of a transaction involving electrical energy, pursuant to Rule 3.4 or a successor rule of the operating rules of the NE-GIS.

(22) "Reserved certificate account” means a specially designated account established by an obligated entity, pursuant to Rule 3.4 or a successor rule of the operating rules of the NE-GIS, for transfer and retirement of reserved certificates from the NE-GIS.

(23) "Self-generator” means an end-use customer in Rhode Island that displaces all or part of its retail electricity consumption, as metered by the distribution utility to which it interconnects, through the use of a customer-sited generation facility, and the ownership of any such facility shall not be considered an obligated entity as a result of any such ownership arrangement.

(24) "Small hydro facility” means a facility employing one or more hydroelectric turbine generators and with an aggregate capacity not exceeding thirty megawatts (30 MW).
purposes of this definition, “facility” shall be defined in a manner consistent with Title 18 of the
Code of Federal Regulations, section 292.204; provided, however, that the size of the facility is
limited to thirty megawatts (30 MW), rather than eighty megawatts (80 MW).

SECTION 2. Chapter 39-26 of the General Laws entitled "Renewable Energy Standard" is
hereby amended by adding thereto the following section:

(a) In light of the changing solar energy market and chapter 6.2 of title 42 (the “act on
climate”), and no later than sixty (60) days after passage of this section, the commission shall
establish a docket to review and analyze solar energy development in Rhode Island.
(b) The commission review and analysis conducted pursuant to this chapter shall include,
but not be limited to:
(1) Compare and contrast all the various solar energy development programs in Rhode
Island and perform a cost-benefit analysis of expansion of each type of solar program;
(2) Include and factor into consideration, in addition to direct costs and benefits,
environmental costs and benefits, and other indirect and ancillary costs and benefits for each solar
energy development program;
(3) Include and factor into consideration impacts on health, jobs, land use, environmental
justice, electric service reliability and affordable consumer rates;
(4) Include and factor into consideration federal, state, local and other renewable
investment tax credits, incentives and grants available for these programs;
(5) Include and factor into consideration interconnection costs, the commission approved
community large solar ceiling prices for the 2020 and 2021 renewable energy growth program
years, historic community remote net metered rates between 2019 and 2021 and the project
subscriber process as well as the programmatic rules and cost differences; and
(6) Address the developers’ need for a predictable source of revenue which provides a
reasonable foundation for financing their projects against the need to assure that ratepayers are not
paying more than necessary to achieve the megawatt targets set in the Renewable Energy Standard,
chapter 26 of title 39 (the "renewable energy standard") and the Act on Climate, chapter 6.2 of title
42 (the "act on climate"); and
(7) Include and factor into consideration the state's goals in chapter 26 of title 39, and
chapter 6.2 of title 42.
(c) For each type of solar energy development program the commission shall determine:
(1) Whether the benefits of further expansion of each program exceeds the costs; and
(2) Whether sustainability and stability of each program can be maintained without
unreasonable burden to ratepayers.

(d) Taking subsections (a), (b), and (c) of this section into consideration, in its report on the review and analysis, the commission shall make a reasoned recommendation of which solar energy development program or programs, combination of programs or new programs is or are the most reasonable and effective means of procuring the best value for distributed solar resources at the overall best rate to Rhode Island ratepayers.

(e) The electric distribution company, as defined in § 39-26.2-3, shall furnish all relevant renewable energy and interconnection data to the commission within thirty (30) days of the docket being established.

(f) Prior to the draft report and recommendations, the commission shall provide for at least three (3) public meetings through an informal process that provides for meaningful public engagement.

(g) The commission shall provide a minimum of thirty (30) days for public comment on the report and host at least one technical working session for interested parties to comment on the criteria listed above and other data utilized by the commission in making its recommendations. The commission shall conduct an inclusive process that allows for meaningful public engagement and publicly and financially accessible meetings and may hold other technical working sessions and/or evidentiary hearings, as needed.

(h) The commission shall issue its report on Rhode Island's solar energy development programs with its review, analysis and recommendations to the governor, the senate president and the speaker of the house no later than one year after the docket's establishment date.

SECTION 3. This act shall take effect upon passage.

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This act would require the public utilities commission to establish a docket to review and analyze solar energy development in Rhode Island.

This act would take effect upon passage.