

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION  
NOTICE OF RULE-MAKING AND HEARING**

**2014-2016 RULES AND REGULATIONS FOR THE RENEWABLE  
ENERGY DEVELOPMENT FUND**

**December 9, 2013, 10:00 A.M.**

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION  
315 IRON HORSE WAY  
PROVIDENCE, RI 02908**

**Attendees:**

**Hannah Morini, RIEDC**

**Sherri Carrera, RIEDC**

**Matthew Shechtman, legal counsel**

**Katherine Merolla, Town of New Shoreham**

**Richard LaCapra, Town of New Shoreham**

**Doug Sabetti, Newport Solar**

**Derrick Pelletier, DOA**

**Nancy Scardozio, DOA**

**Vito Buonomano, Northeast Solar & Wind Power**

**Eric Beecher, Sol Power Cooperative LLC**

**Tom Kilday, Green Shepherd**

## **Chris Warfer, Entech Engineering**

**Ms. Carrera called the hearing to order at 10:AM. She reviewed the rules and regulations for the hearing. She then turned the hearing over to Ms. Morini. Ms. Morini stated that she would first address clarification questions that had been received in writing prior to the hearing, then anyone wishing to testify would be allowed to do so for an allotted time of 5 minutes per person.**

**The following questions were addressed:**

**Q. Will there be a minimum and maximum number of submissions for small scale solar solicitations? This year the minimum limit was a huge barrier to entry for new companies and although no one hit the maximum, I don't see how that would be at all beneficial.**

**A. If minimum and maximum exist, the solicitation will specify.**

**Q. During the solicitations, will applications be reviewed at the end or on a rolling basis? I think reviewing applications when they are received would be a big step toward implementing a business friendly process similar to the one in Massachusetts, greatly cut down on project delays, and allow a continuous workflow versus spikes of high and low demand of human resources.**

**A. Details about application deadlines will be available on Commerce**

## **RI's website early 2014**

**Q. Why must projects be grid connected? Off-grid is one of the best uses of solar technology.**

**A. Grid connected projects are able to generate renewable energy credits which further Rhode Island's renewable energy goals. Also, they pay into the fund.**

**Q. What is the system benefit charge?**

**A. Listed as "Renewable energy charge" on National Grid bills. All National Grid customers and Pascoag Utility customers pay a system benefit charge.**

**Q. What if the DG program is expanded to include all sizes of solar installations? In order to make the RI state incentives competitive with our NE neighbors, we need something similar to the DG program combined with REF grants. This seems like an unnecessary limitation. If you want to deny an application because it will receive DG funding then you can do so. However, if it is written into the rules then you cannot accept an application that receives DG funding. Why not leave it up to the committee that reviews the applications?**

**A. The Rhode Island Economic Development Corporation and Renewable Energy Fund Advisory Committee are in consensus that state incentive comingling should be limited.**

**Q. How will projects be judged on financial feasibility?**

**A. Evidence of sufficient financial capacity is in the best interest of the public fund (REF) to ensure projects are completed. All private finance information is protected under APRA.**

**Q. Please clarify what a system benefit charge through electric distribution company?**

**A. This was addressed previously**

**Q. Clarify: energy audit must be done by a third party?**

**A. The company applying to install projects shall not be the same company performing required energy audits.**

**Q. Clarify: shading requirements not listed?**

**A. Shading requirements will be in the solicitations.**

**Q. Do you have a standard contract?**

**A. Contract requirements are standard but contents may vary depending on scope of projects.**

## **Public Comments**

**Katherine Merolla,**

**Ms. Merolla spoke in opposition to proposed rules 5.5 and 5.6; 5.5**

**require that all construction projects must be grid connected with the exception of solar domestic hot water. 5.6 states that all applicants seeking funding through the REF must pay a system benefit charge through their electric distribution company. The effect of these two rules/regulations would be that the town of NS, all residents and businesses would be ineligible to receive any funding whatsoever from the REF under any circumstances.**

**A paper was submitted on behalf of the Town of New Shoreham to the RIEDC outlining why these rules, if adopted, would be illegal and unconstitutional. Also submitted was a position paper with information showing that these rules, if adopted, would be directly contrary to the position the EDC has taken in the past with the town of New Shoreham. Ms. Merolla referenced legislation title 42 chapter 64 under RI General Laws: the law states that all the people of RI should be eligible for REF Grants.**

**The town of New Shoreham, it's residents & business, through no fault of their own are exempt from paying the assessment which is referred to the ".003K KW charge" by virtual of Rhode Island General Law 39-2-1-2 subparagraph B which is exempts Block Island Power Company (BIPCO) from collection of that assessment. The Utility Restructuring Act which exempted BIPCO was on the books long before the REF legislation. At the time that the Legislature enacted the REF legislation, and said that this was for the benefit of all the cities and towns and all the residents of the State of RI, the legislature was aware of the fact that this assessment was not being levied of the**

**people of the town of New Shoreham. She noted current regulations are inclusive of all the people of Rhode Island, and they do not include the resident of New Shoreham.**

**Richard Lacapra**

**Mr. Lacapra is the advisor to the Town of New Shoreham in regards to energy matters. He stated that the effect of these new rules exempts New Shoreham; that effect is discriminatory and outside of the legislative intent. The legislation exempted BIPCO because of the some of the requirements; the Renewable Energy Fund did not exempt the New Shoreham. The application of New Shoreham for renewable energy permits provides an exemplary case. Other than REF there are alternative payments; Block Island is paying in a diff way to support Renewable Energy. He noted that off grid is a temporary situation as Block Island will be connected to the mainland eventually.**

**Vito Buonomano**

**Mr. Buonomano made the following comments:**

- He feels the program should be tailored to the Massachusetts program.**
- The program should be downsized from 50 KW to 15 KW. He feels that smaller installations are better for the grid.**
- The percentages should be changed to a five year payback.**
- There should be exceptions to shading; a clean Google Earth picture should be sufficient.**

- He is not an advocate of the energy audit and feels that RISE is not a reliable agency.

### **Eric Beecher**

He asked if the difference between residential and commercial will be in the rules. Ms. Morini said the focus will be on system size, we are not distinguishing among sectors. He commented that the Massachusetts dollar/watt incentive for small scale solar is \$4.30/watt. This year Rhode Island was \$1.15/watt. Ms. Morini will follow up on this.

### **Chris Warfel**

Mr. Warfel has documented his attempts to bring renewable energy to Block Island in a 175 page report. He is asking that the disallowment of BIPCO customers from the program be stricken. He noted that there is a long history of attempts to get into this program and referenced communicative 1A, 1B, and 1C. There are only three customers that have received renewable energy funding on Block Island: the post office, the school, and the town hall. All of his interconnect requests have been ignored by BIPCO. Mr. Warfel noted that the cost of shopping solar panels from California is less than shipping them from Rhode Island because of the fees from Interstate Navigation.

### **Doug Sabetti**

**Mr. Sabetti stated that feels the grant application requirements are not unreasonable or cumbersome.**

**He feels that shading analyses done via roof are important and help consumers make informed decisions. He has no problem with this program and says is extremely beneficial to his business.**

**Ms. Morini adjourned the meeting at 10:40AM.**