



The Narragansett Electric Company d/b/a Rhode Island Energy

Rhode Island Renewable Energy Growth Program Solicitation and Enrollment Process Rules for Solar (Greater than 25 kW), Wind, Hydro and Anaerobic Digester Projects

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I. Introduction and Overview

1.1 Purpose of the Solicitation and Enrollment

The Narragansett Electric Company d/b/a Rhode Island Energy (Rhode Island Energy or the Company) developed the Renewable Energy Growth Program (RE Growth Program) pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws to facilitate the development and compensation of distributed generation projects in Rhode Island. These Solicitation and Enrollment Process Rules for Non-Residential Projects (Rules) provide the means by which an applicant (Applicant) can qualify and enroll a project (Project) in the RE Growth Program. The Rules are only part of the RE Growth Program documents and should be read along with the Non-Residential RE Growth Program Tariff (Tariff). As described below, a Project enrolled in the RE Growth Program must supply Rhode Island Energy with energy, capacity, Renewable Energy Certificates (RECs), and other environmental attributes and market products. Any term not defined in the Rules is defined in the Tariff.

These Rules will apply to all Projects that are not Small-Scale Solar Projects, subject to the eligibility provisions below. A Small-Scale Solar Project is a solar project having a nameplate capacity of up to and including twenty-five kilowatts (25 kW) and is subject to the rules for Small-Scale Solar Projects.

These Rules, along with the Tariff, will govern the eligibility and procedures for Projects in the RE Growth Program. Rhode Island Energy will not execute individual Power Purchase Agreement contracts with Applicants.

1.2 Enrollment Framework

Rhode Island Energy is operating the RE Growth Program, as guided by the Distributed Generation Board (Board) in consultation with the Rhode Island Office of Energy Resources (OER). The Program is subject to the approval of the Rhode Island Public Utilities Commission (Commission). Rhode Island Energy may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts to be enrolled for the year (annual MW target), and a target amount of megawatts for each enrollment event (enrollment MW target), both of which will be based on nameplate capacity. The nameplate capacity of a Project is its maximum rated output or gross output of a generator; for solar technology, it is the total rated power output of all the panels measured in direct current (DC). The enrollment MW target will be a specific portion of the annual MW target.

For each program year, the Board will recommend the enrollment MW target and a target amount of megawatts for each class of renewable resource (class MW target), which will be a specific portion of the enrollment MW target. Both of these recommendations from the Board are subject to Commission approval. If there is an over-subscription in one class and an under-subscription in an enrollment MW target, then Rhode Island Energy, the OER, and the Board

may mutually agree to allocate megawatts from one class to another class within the RE Growth Program without Commission approval as long as the re-allocated targets would not exceed the annual MW target.

The annual MW targets shall be established from the year 2023 through the year 2033. The annual target for each program year shall be up to three hundred megawatts (300 MW); provided that, thirty megawatts (30 MW) shall be reserved for projects less than one megawatt (1 MW). The board may petition the commission for approval of multi-year annual targets and associated-ceiling prices.

A "program year" means a year beginning April 1 and ending March 31. Except for the first program year (2015), Rhode Island Energy is required, in consultation with the Board and the OER, to conduct at least three (3) tariff enrollments for each distributed generation class each program year. The classes and targets for each program year are listed in Schedule 1, which will be updated periodically, and Schedule 2 of this application.

For each program year, the Board will recommend the Ceiling Prices and Standard Performance-Based Incentives (PBI), as applicable, for each renewable energy class, subject to Commission approval. For all projects subject to these Solicitation and Enrollment Process Rules, the Ceiling Price is the bidding price cap, further described in Section 2.1.

See Schedule 2 for the approved Ceiling Prices for Program Years 2024 through 2026. When the DG Board proposes new annual allocations and/or Small Solar ceiling prices to the Commission, any party may request that the prices be adjusted through participation in the Commission's regulatory process, but an adjustment will be made only if the evidence shows that the established prices will not result in the statutorily required "reasonable rate of return." The party proposing the adjustment, either up or down, will bear the burden of proof and any proposed changes to ceiling prices are subject to regulatory review and approval.

1.2.1 Applications

Each enrollment will be open for a two (2) week period. During the enrollment period, Rhode Island Energy will accept standard short-form applications. The standard application shall require the Applicant to provide the following information about the project: (1) the project ownership; (2) the location of the proposed project; (3) the nameplate capacity; and (4) the renewable energy class. The application allows Applicants to provide additional information relative to the permitting, financial feasibility, ability to build, and timing for achieving commercial operation of the proposed projects. The Applicant must certify in the application that the project will not violate the prohibition on project segmentation, as set forth in the Tariff.

Applicants will be selected for the RE Growth Program in accordance with the rules below.

1.2.2 Eligibility Requirements

1.2.2.1 Introduction

To be eligible, a Project must meet certain requirements, and Rhode Island Energy will review all applications to determine whether they meet these requirements. Projects that do not meet eligibility requirements will be disqualified from the RE Growth Program.

1.2.2.2 Eligible Applicant

An Applicant must be in good standing on its obligations to Rhode Island Energy. Such obligations include but are not limited to meeting obligations under an Interconnection Service Agreement and being current with amounts due on the electric service account(s) or fulfilling the requirements of an approved payment plan.

1.2.2.3 Eligible Facilities

To be eligible for an enrollment, a Project must: (1) be an eligible renewable energy resource under the RE Growth Program, as determined by the Board and approved by the Commission; (2) have a nameplate capacity equal to or less than five megawatts (5 MW) (except for solar projects as described in § 39-26.6-7 that may exceed five megawatts (5 MW) but shall not be greater than fifteen megawatts (15 MW), unless located on preferred sites, in which case they may be sized up to thirty-nine megawatts (39 MW)); (3) interconnect with the distribution system of The Narragansett Electric Company; and (4) be located in The Narragansett Electric Company ISO-NE load zone.

Nameplate capacity is the maximum rated output or gross output of a generator; for solar technology it is the total rated power output of all panels measured in direct current (DC).

To apply, a distributed generation project must not be: (1) already operating; (2) under construction, except for preparatory site work that is less than twenty-five percent (25%) of the estimated total project cost; or (3) fully financed for construction, except to the extent that financing agreements are conditioned upon the selection of the project in this program. A pre-existing hydroelectric generating facility that is already operating may be eligible for the RE Growth Program if it can demonstrate with reasonable evidence its need for a material investment to restore or maintain reliable and efficient operation and meet all regulatory, environmental or operational requirements, in addition to meeting the other criteria of the RE Growth Program.

1.2.2.3.1 Renewable Energy Classes

For each program year, the Board shall determine the renewable energy classes, which are defined by specific technology, nameplate size, and other requirements as may be applicable as determined by the Board, subject to Commission approval. The Board may make

recommendations to the Commission to add, eliminate, or adjust renewable energy classes for each program year. See Schedule 2 for the approved renewable energy classes for the applicable program year. To be eligible for an enrollment, a distributed generation project must qualify within one of the approved renewable energy classes for the applicable program year as indicated in Schedule 2.

1.2.2.3.2 Shared Solar

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and >25-250 kW DC nameplate capacity, respectively).

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

The system size for Bill Credit Recipients will be determined by the sum of the three (3)-year average on-site use over the previous three (3) years of all of the indicated Bill Credit Recipients' accounts at the time of the application. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. The customer may request that the Company reset its three (3)-year annual average use once three (3) years of billing history are available.

Shared Solar Projects will receive the same ceiling price and enroll from the same classes of other projects of the same size and ownership as established by the Board for a given program year.

1.2.2.3.3 Community Remote Distributed Generation

Community Remote Distributed Generation (CRDG) enables customers who cannot or choose not to install renewable technologies at their service location to participate in the RE Growth Program.

Each CRDG class will have a distinct ceiling price as established by the Board, and each class shall be for resources that are larger than 250 kW (DC for solar, AC for other technologies) nameplate capacity. CRDG projects will compete against other CRDG projects in the same CRDG technology and size classes as set by the Board. Each two-week enrollment period will feature these classes as separate categories in which projects will be able to compete. The Company will select CRDG projects as it selects other projects in competitive classes on the basis of prices bid by project Applicants, and will offer a Conditional Certificate of Eligibility to successful

Applicants under the same rules and processes as other classes. CRDG renewable energy classes, annual enrollment targets, and ceiling prices are listed on Schedules 1 and 2.

1.2.2.3.4 Prohibition on Project Segmentation

Project segmentation occurs when one distributed generation project is split into multiple projects on a single parcel or on contiguous parcels in order to qualify under smaller size project classifications. All Applicants are required to include assessor's maps with their applications so that the Company can review project eligibility considering the prohibition on project segmentation. Assessor's maps must show the parcel location of the proposed project as well as the parcel location, size and renewable technology of any other renewable energy pending projects or projects which have received a final COE in the past 24 months and have the same owner and/or developer. The Company may also require additional property information to verify whether the project is eligible for participation in the program.

Under the RE Growth Program, project segmentation is not allowed. However, a Project developer may designate an additional distributed generation unit or portion of a unit on the same parcel or on a contiguous parcel for net metering or for other means of participating in electricity markets, as long as any such unit or portion of such unit: (1) is not receiving Performance-Based Incentives through the RE Growth Program; (2) is segregated electrically; and (3) is separately metered.

For exceptions to project segmentation, please refer to the applicable Tariff.

1.2.2.3.5 Energy Storage System Guidance

Energy Storage Systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter. Please see the available ESS Guidance Diagrams available on the RE Growth webpage at: <https://portalconnect.rienergy.com/RI/s/article/RI-Interconnection-Documents>.

II. Application Evaluation and Selection Criteria and Process

2.1 Overview of Application Evaluation and Selection Process

Applications will be subject to a consistent, defined review and selection process. Projects submitting competitive bids in an enrollment period will be evaluated against other Projects in the same renewable energy class. The first stage of review determines whether a Project satisfies specified eligibility and minimum threshold requirements. Rhode Island Energy will conduct any additional evaluation as required, consistent with the requirements set forth above. Projects that meet the eligibility and minimum threshold requirements will be awarded

based on bid price, up to the class MW target. Subsequent to this selection, Rhode Island Energy will evaluate Projects based on certain threshold criteria, described below in sections 2.1.1-2.1.7, and then award selected projects Conditional Certificates of Eligibility as described in sections 2.1.8.

2.1.1 Interconnection Progress Prior to Enrollment

A Project must have made sufficient progress in the interconnection process prior to enrollment to ensure that interconnection costs have been estimated and the Project is likely to meet the statutory deadlines above. Project owners must have already submitted an application for interconnection and, if necessary, must have received a completed Impact Study for Renewable DG (ISR DG) from the Company. A copy of the interconnection application and a completed ISR DG, or valid Interconnection Service Agreement, must be enclosed along with an application for enrollment under this program. A valid Interconnection Service Agreement is one that has been signed by both the Applicant and Rhode Island Energy. Projects must interconnect with the distribution system of the Narragansett Electric Company and will be located in the Narragansett Electric Company ISO-NE load zone. All interconnection costs, if any, must be paid by the Applicant of the distributed generation (DG) project in accordance with the payment plan identified within the Interconnection Service Agreement. However, a distributed generation facility owner may appeal to the Commission to reduce any required system upgrade costs to the extent such upgrades can be shown to benefit other customers of Rhode Island Energy and the balance of such costs shall be included in rates by Rhode Island Energy for recovery in the year incurred or the year following incurrence.

For information regarding ISR DG and the standards for the interconnection of generators in Rhode Island, please see: <https://portalconnect.rienergy.com/RI/s/article/RI-Interconnection-Documents>.

2.1.2 Site Control

The Applicant must show actual control of the site where the Project is to be located, or show that it has exercised its right to acquire control of the site. To meet this requirement, the Applicant must represent that it owns or leases (or has an executed, exclusive, unconditional option to own or lease) the site on which the proposed project will be located, and that it has any additional rights required to develop and operate the project at the site.

2.1.3 Siting Considerations and Required Documentation

As per the definition in the Non-Residential RE Growth Program Tariff, no renewable distributed generation project that is located or planned to be located in or on a core forest, shall be considered an eligible renewable distributed generation project or otherwise be eligible to participate in this program, unless it is on a preferred site. The Applicant must provide a signed letter, or other form of approval, from the Rhode Island Department of Environmental Management (RI DEM), that the renewable distributed generation project is not located or

planned to be located in or on a core forest, unless it is on a preferred site, which must also be specified in the documentation from the RI DEM. For facilities developed in core forests on preferred sites, no more than one hundred thousand square feet (100,000 sq. ft.) of core forest shall be removed, except for work required for utility interconnection or development of a brownfield, in which case no more core forest than necessary for interconnection or brownfield development shall be removed. Alternatively, if the RI DEM provides a list of project types that are waived from their review process, the Applicant may provide a self-certification form that confirms the renewable distributed generation project is one of the aforementioned project types.

For Large Solar IV projects, the Applicant must provide a signed letter, or other form of approval, from the RI DEM that a given project is sited on a preferred site. RI DEM may make their preferred site determinations in consultation with other relevant state agencies.

All signed letters, or other forms of approval from RI DEM, should include basic project details, including the project name, developer name, facility address, preferred site type, and RIE interconnection case number, for easy reference and verification during the bid evaluation process.

2.1.4 Brownfield Remediation Incentive Pilot for Large-Scale Solar I and II Projects

Large-Scale Solar I and II projects sited on a brownfield that requires remediation at the time of their application to the Renewable Energy Growth Program may be eligible to receive a Brownfield Remediation Incentive. The Brownfield Remediation Incentive is a one-time payment of \$140/kW DC of nameplate capacity and is offered for the portion of a project that is sited on a brownfield requiring remediation, based on the nameplate capacity of the solar panels sited on the brownfield requiring remediation. The Brownfield Remediation Incentive program will remain in effect until \$2.5 million has been allocated, subject to an interim review by the Commission.

To apply for the Brownfield Remediation Incentive, Applicants must follow a two-step process. First, before the open enrollment period, the Applicant must receive verification from RI DEM that the project will be sited on a brownfield requiring remediation, and which will still require remediation by the end of the calendar year the Applicant plans to apply in. The Applicant must follow the process and requirements of RI DEM including but not limited to providing a map of the property with the brownfield outlined with an overlay of all solar panels. Second, following receipt of RI DEM's verification that the project meets the Brownfield Remediation Incentive requirements, the Applicant may then apply for the Brownfield Remediation Incentive, as part of the Renewable Energy Growth Program. As part of the Renewable Energy Growth Program open enrollment application process, the Applicant must provide a signed letter, or other form of approval, from RI DEM that the given project meets the aforementioned brownfield requirements. The brownfield map submitted to RI DEM must also be provided as part of the application to the Brownfield Remediation Incentive program. Further, the Applicant must

submit the following additional information for the solar project, which will be used mainly for informational purposes to evaluate the Brownfield Remediation Incentive Pilot:

- 1) Provide documentation of the estimated total installed costs (exclusive of site remediation costs);
- 2) Provide documentation of the estimated incremental installed cost of building on a brownfield compared to a greenfield. In addition, provide estimates for the following components included within the estimated incremental installed cost of building on a brownfield:
 - a) Documentation of estimated site remediation costs by an environmental consulting firm with substantial experience in site remediation and a brief description of the work to be conducted, including the total number of acres that will require remediation;
 - b) Documentation of the estimated additional upfront permitting costs incurred by the project to build on a brownfield requiring remediation compared to a greenfield;
 - c) Any additional or special equipment that is required to build on a brownfield that has been remediated, and include documentation of the estimated total incremental cost of this equipment;
 - d) For any incremental upfront costs not related to remediation, permitting, or equipment costs, estimate and describe such costs.
- 3) Provide the estimated total operations and maintenance costs for the twenty-year project term. Describe if there are any additional incremental operations and maintenance expenses when on a remediated brownfield compared to a greenfield, and include the annual incremental operations and maintenance costs;
- 4) Describe site ownership, and if the Applicant is leasing the site, provide the total cost of the land lease per year and the total number of years of the land lease;
- 5) State whether there are additional incremental project management or insurance costs related to building on a brownfield compared to a greenfield;
- 6) Provide an estimated capacity factor for the project in year 1, and explain if this is anticipated to be lower than if the project was sited on a typical greenfield and by how much;
- 7) State whether you will be applying for, or have received, an award through the RI DEM Brownfields Remediation and Economic Development Fund, and if you have not, please explain why;
- 8) State whether you will be applying for, or have received, funding through the Rhode Island Infrastructure Bank Brownfield Revolving Loan Fund if applicable, and if you have not, please explain why;
- 9) State whether you will be applying for, or have received, the Federal Investment Tax Credit Bonus for certain “energy community” brownfield projects, and if you have not, please explain why;
- 10) State whether you will be applying for, or have received, any other federal, state, or third-party funding for the project;
- 11) State whether this Brownfield Remediation Incentive is financially critical to the brownfield remediation and/or solar project development moving forward;
- 12) Document what pollutants are being removed as a result of the remediation and provide suitable explanation.

- 13) Explain and quantify in dollar terms at least one of the below benefits of the brownfield remediation, and/or the solar project development on a brownfield incremental to a greenfield. Please explain the methodology and sources used to estimate the benefits.
- a) The land, water, environmental, and/or health benefits resulting from the remediation work being completed at the site in question;
 - b) The benefits related to the preservation of open space area for development on a brownfield as compared to a greenfield;
 - c) The benefits to the property value of the site and to the surrounding area;
 - d) Explain if there are any electric system reliability benefits of the project, or any other benefits not discussed above.

In order to meet the eligibility and minimum threshold requirements of the Brownfield Remediation Incentive, the Company will review the Applicant's RI DEM letter, or other form of approval, as well as ensure the Applicant responds to each of the prompts listed above. The Applicant must explain and quantify benefits of the brownfield remediation and solar project development on a brownfield incremental to a greenfield as part of their application response, especially regarding the project's potential beneficial impact on the land and waters of the state through remediation. Each project that submits the RI DEM letter, or other form of approval, responds to each of the prompts, and explains and quantifies the benefits of the brownfield remediation and solar project development incremental to a greenfield solar development will be eligible for the incentive. The Brownfield Remediation Incentive will then be awarded based on the price per kilowatt-hour bid in the open enrollment, with the lowest bid prices being awarded first, in alignment with Section 2.1.8 below. If the funding requested in an open enrollment exceeds the remaining funding of the Brownfield Remediation Incentive Pilot and multiple projects bid the same price, Rhode Island Energy will consult with RI DEM and OER to discuss which project has a higher likelihood of realizing the greatest benefits, based on the credibility of the benefit calculation methodologies and the value of those benefits, as provided by the Applicant and reviewed by the Company in consultation with state agencies.

To receive the Final Certificate of Eligibility, which includes the Brownfield Remediation Incentive, the Applicant must complete two additional steps. First, the Applicant must provide a letter, or other form of approval, from RI DEM that confirms that the brownfield has been remediated. The Applicant must follow the RI DEM's process and requirements, including providing an updated map of the property with the brownfield outlined and an overlay of all solar panels as-built. This approved map must also be provided to the Company, so that they may update the Brownfield Remediation Incentive, if applicable; however, the Brownfield Remediation Incentive can only be adjusted downwards. Second, the Applicant must provide updated responses to their initial application, including actual values wherever possible, including actual remediation costs, total solar project installed costs, and operating and maintenance annual costs. Projects that are awarded the Brownfield Remediation Incentive will be paid within ten days after the Final Certificate of Eligibility is provided, assuming that all of the necessary information required for payment and verification of banking is completed within five days after the Final Certificate of Eligibility is provided.

2.1.5 Application Completeness and Timeliness

Total Project Costs

Applications must include the estimated total project development costs. Applications that do not include the estimated total project development costs will be rejected. Total project development cost is defined as: “The expected all-in project capital cost, which should include all hardware, balance of plant, design, construction, permitting, interconnection, metering, development (including developer fee), interest during construction, financing costs and reserves. The total project costs should not include any tax incentives, grants, or other cash incentives, which may be requested separately. This figure should not include O&M expenses or replacement costs. All other upfront capital costs must be included.”

Additional Application Requirements

Applicants must endeavor to complete the entire application and provide all reasonably available information in each section of the application. Applicants will not be allowed to modify their applications until after a given Open Enrollment period ends. There are a variety of additional requirements, which include items such as:

- Confirmation that the project is not already operating (with a possible exception for pre-existing hydropower);
- Confirmation that the project is not under construction (except for preparatory site work that is less than 25% of the estimated total project cost);
- Confirmation that the project is not fully financed for construction;
- Detail on the permits required for construction and operation, and;
- Project schedule.

Furthermore, the following documents are also required for application:

- Project Material Financial Investment Documentation (for existing hydro generation projects)
- Project Segmentation and Tax Credit Eligibility Affidavit
- Assessor’s maps

Applications must be timely submitted in accordance with the enrollment dates set forth in Schedule 3. Applications received after the deadline will not be accepted.

Either through the Rhode Island Energy application process, or upon request by the Company during each open enrollment period, Applicants must provide information on whether the project intends to qualify for Federal Investment Tax Credits.

Following the submission of applications, Rhode Island Energy may request additional information from Applicants at any time during the process. Applicants that do not respond to requests for information may be disqualified from an enrollment.

2.1.6 Shared Solar – Additional Application Materials and Provisions

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

Shared Solar Applicants will receive PBI payments as a combination of cash payments and Bill Credits (Option 2). The DG Project and Bill Credit Recipients must be in the same customer class (i.e., Residential or Nonresidential). All customer accounts receiving Bill Credits must be in the same customer class (i.e., Residential or Nonresidential) although they may be on different retail delivery service rate classes. The Bill Credit value from the Shared Solar Project shall be determined by the recipients' rate class and not that of the facility owner. The Bill Credit value shall be the distribution, transition, transmission, and Last Resort Service supply rates of the Bill Credit Recipients. Any value of Bill Credits not transferred from the Shared Solar project shall be included in the total Performance Based Incentive. PBI payments and Bill Credits will be calculated as set forth in Section 8.c. of the Tariff.

In no case will the annual allocated credits in kWh exceed the prior three (3) year annual average usage, less any reductions for verified energy efficiency measures installed at the customer premises, of the customer account to which the Bill Credits are transferred.

2.1.7 CRDG – Additional Application Materials and Provisions

CRDG Applicants must receive PBI payments in the form of cash and Bill Credits. No more than fifty percent (50%) of the output by kWh generated by the DG Project may be allocated to a single Bill Credit Recipient. At least 50% of the output must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system. Both of these conditions must be met within the operational timelines specified in the Tariff, and must be met prior to being allowed to operate in parallel. CRDG Applicants must submit a Customer Payment/Credit Transfer Form that notes the billing accounts for Bill Credit Recipients and other required information. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules. CRDG Applicants must designate at least three (3) eligible Bill Credit Recipients. There is a minimum bill credit amount set for projects participating as CRDG facilities each year. The Minimum Bill Credit Amount will be calculated as 50% of the difference between the ceiling prices of non-CRDG facilities and CRDG facilities of the same technology and class, but in no case will be greater than 1.25¢ per kWh. These are shown in the Non-Residential tariff supplements applicable to each program year.

Full Bill Credit Recipient criteria, the allocation of CRDG kWh generation to Bill Credit Recipients, the application of bill credits to customers on the A-60 rate, and the calculation of Bill Credits and cash payments are as set forth in Section 8.d. of the Tariff.

2.1.8 Competitive Bidding for Distributed Generation Projects

All distributed generation projects subject to these Solicitation and Enrollment Process Rules are subject to a bidding process to determine which Projects are selected for the RE Growth Program. Each Project is required to bid a price per kilowatt-hour for its entire output (net of any station service) for the approved tariff term length, which shall not exceed the applicable ceiling price. Following eligibility and threshold evaluations, the price evaluation of the bids for that applicable Tariff supplement will be applied on a consistent basis such that the same approved term lengths for competing bids are used to determine the winning bids. Selection will be made by ranking the eligible projects from lowest bid price received to highest, but not to exceed the applicable ceiling price. See Schedule 2 for the approved Ceiling Prices for the current program year. Projects will be selected beginning with the lowest bid price and continuing to select projects up to the enrollment MW target for the applicable class. If selected, the price each Project bids into the solicitation will be its PBI paid under the applicable Tariff supplement.

If the Projects that bid the same price exceed the capacity specified for a renewable energy class target, Rhode Island Energy will consult with the Board and the OER in selecting first those projects that appear to be the furthest along in development and that are most likely to be deployed. Those Projects that are likely to achieve commercial operations at the earliest time shall be selected first. The Company may also consult with the Board, the OER, and/or the Division during this further assessment.

Performance Guarantee Deposit

Except for small-scale solar and medium-scale solar projects, Applicants are required to pay a performance guarantee deposit to Rhode Island Energy, which must be made by wire transfer. The performance guarantee deposit is determined, in part, on the quantity of renewable energy certificate estimated to be generated per year under the Program. The deposit is fifteen dollars (\$15.00) for each REC estimated to be generated per year by a Small Distributed Generation project and twenty-five dollars (\$25.00) for each REC estimated to be generated per year by a Large Distributed Generation project. A performance guarantee deposit is at least five hundred dollars (\$500) and not more than seventy-five thousand dollars (\$75,000).

Projects that classify as Small Distributed Generation projects, with respect to the Performance Guarantee Deposit amounts, are provided in the below table.

Small Wind	Small-Scale Solar	Medium-Scale Solar	Other Technology
50 kW - 1,500 kW	Up to and including 25 kW	Greater than 25 kW, up to and including 250 kW	TBD by the Board, up to 1 MW.

Projects that classify as Large Distributed Generation projects, with respect to the Performance Guarantee Deposit amounts, are provided in the below table.

Commercial-Scale Solar	Large-Scale Solar	Large Wind	Other Technology
Greater than 250 kW, but less than 1 MW	1 MW, but less than 39 MW	Greater than 1.5 MW, up to and including 5 MW	Greater than small DG, up to and including 5 MW

The deposit must be received and confirmed by Rhode Island Energy within five (5) business days after a project is offered a Conditional Certificate of Eligibility. Applicants should be prepared to make a deposit when submitting applications into any enrollment. If payment of the required performance guarantee deposit is not received by the date required, the Company may withdraw the offer and proceed with the next competitive bid in that enrollment.

The Company will refund the performance guarantee deposit over the course of the first year of the project's operation, paid quarterly if a project is issued a Final Certificate of Eligibility. If a project terminates its Conditional Certificate of Eligibility, or the Company terminates a project's Conditional Certificate of Eligibility, the Company will not return the performance guarantee deposit back to the Applicant.

2.2 Issuance of Conditional Certificates of Eligibility

For small-scale and medium-scale solar projects, Rhode Island Energy shall provide Conditional Certificates of Eligibility to the selected projects without obtaining Commission confirmation or approval, but subject to the review and consent of the OER. Rhode Island Energy will file with the Commission a list of all small-scale solar Projects that are awarded Conditional Certificates of Eligibility. Rhode Island Energy will award Conditional Certificates of Eligibility to eligible small-scale solar projects in accordance with the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects.

For all other distributed generation projects, Rhode Island Energy shall file with the Commission a list of the distributed generation projects selected together with the corresponding pricing information. The Commission shall issue an order listing those projects to which Conditional Certificates of Eligibility are awarded within sixty (60) days of receipt of the list.

The Conditional Certificate of Eligibility will contain applicable DG Facility information, including renewable technology and class, facility size and energy output, term length, price, certificate issuance and certificate effective dates.

2.3 Requirements to Initiate Payment for Output

If awarded a Conditional Certificate of Eligibility, a Project is required to meet specific requirements to maintain its status in the RE Growth Program prior to and during construction, and to initiate the start of the payments for its output. These requirements are set forth below.

2.3.1 Project Schedule and Output Certification

A project must certify that it is capable of producing at least ninety percent (90%) of the output that was proposed in its enrollment application before its deadline. All projects will have a twenty-four (24) month deadline to meet this requirement, but anaerobic digestion projects will have thirty-six (36) months, and small-scale hydro and Large-Scale Solar I, II, III, IV will have forty-eight (48) months). A project's proposed construction schedule must allow it to meet the applicable deadline after it has received a Conditional Certificate of Eligibility.

If a project does not certify that it is capable of generating the output proposed in its enrollment application on or before the applicable deadline, the project's Conditional Certificate of Eligibility will be voided and its performance guarantee deposit will be forfeited. Forfeited performance guarantee deposits shall be credited to all distribution customers through rates and not retained by Rhode Island Energy. Rhode Island Energy will not refund the Performance Guarantee Deposit to any project that does not provide an Output Certification or other requirements within the applicable deadlines, including any extensions available to the Applicant as described in Section 3.e, 3.f. and 3.g. of the Tariff.

A DG Facility must provide an independent third-party (licensed PE) engineer's "Output Certification" stating:

1. that the DG Facility or project has been completed in all material respects;
 - a. including completion of construction of facility and all interconnection facilities necessary for operation;
 - b. applicable meters have been installed and tested (commissioned).
2. that the DG Facility or project is capable of producing at least 90% of the maximum hourly output proposed in the project application and specified on the *Conditional Certificate of Eligibility*;
3. the actual DC-rated nameplate capacity of the DG Facility or project as built and specified on the *Conditional Certificate of Eligibility*, and the amount of DC-rated nameplate capacity that is installed as-built that qualifies under the Solar Carport definition, if any; and the maximum hourly output in kWh/hour in Alternating Current (AC) of the facility as built and specified on the *Conditional Certificate of Eligibility*.

Once a DG Project has provided the Output Certification to Rhode Island Energy, the Project then has 90 days to meet all other requirements pursuant to Section 8.a. of the Tariff in order to receive payment.

Small-scale and medium-scale solar projects are not required to provide the Output Certification or pay an initial performance guarantee deposit. However, after receiving a Conditional Certificate of Eligibility, a small-scale or medium-scale solar project has twenty-four (24) months to meet all other requirements pursuant to the Tariff in order to receive compensation under the RE Growth Program. Medium-Scale Solar Projects will have the option

to extend their 24 month deadline of achieving operation at expected availability and capacity and meeting all other requirements under this Tariff by two additional six (6) month periods, but must pay a deposit of \$7.50 multiplied by the estimated RECs to be generated during the DG Project's first year of operation for each six (6) month extension. If a Project does not meet this deadline, the Conditional Certificate of Eligibility will be voided.

2.3.2 Qualification as an Eligible Renewable Energy Resource under the RES

An Applicant to the RE Growth Program must obtain qualification for a Project as a renewable energy resource pursuant to the Rhode Island Renewable Energy Standard (RES). Applicants must complete a Renewable Energy Resources Eligibility Form and obtain Commission approval in order to be qualified under the RES. The form can be found at:

<https://ripuc.ri.gov/utility-information/electric/rhode-island-renewable-energy-standard-ri-res-program>

In addition, the Applicant is required cooperate with the Company to register and qualify RECs in other jurisdictions in order to monetize the value of these market products to offset the cost of the RE Growth Program.

2.4 Ownership of Products

The Company shall have the rights and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the Project during the applicable term of the Tariff supplement;
- (2) All energy produced by the Project; and
- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the Project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

2.4.1 Delivery of Energy into ISO-NE Market

Energy must be delivered to Rhode Island Energy in the ISO-NE Rhode Island load zone at the delivery node associated with the Project.

2.4.2 Delivery of RECs and Registration in NEPOOL GIS

Applicants must cooperate with and provide information to the Company to enable RECs to be created by the Project at the NEPOOL Generation Information System, and for such RECs to be transferred or assigned to the Company's appropriate NEPOOL GIS account, as governed by the Tariff.

2.4.3 Participation in ISO-NE Forward Capacity Market (FCM)

Upon Rhode Island Energy's election to acquire the capacity from a Project, Rhode Island Energy will assume the rights to the capacity, pursuant to the Tariff. Rhode Island Energy reserves the right to be the "Project Sponsor" for the Project, after consultation with the Division and the Board. If and when Rhode Island Energy participates as Project Sponsor on behalf of any Project, the Applicant must support Rhode Island Energy, as required, to qualify the Project as an Existing Capacity Resource in the FCM. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

III. Contact Information and Other Provisions

3.1 Official Contact

All questions and communications regarding these Rules should be directed via electronic mail to the Rhode Island Energy Procurement Team at the following address: regnonssmallsolar@pplweb.com, with the subject line "RE Growth Question" and a few words describing the nature of the question.

3.2 Submittal of Enrollment Applications

The Solicitation and Enrollment Process Rules are posted on the Rhode Island Energy Rhode Island Renewable Energy Growth Program website: <https://www.rienergy.com/site/other-parties/business-partners/rfp-and-procurement/re-growth-program>.

Applications must be submitted electronically via the website, during the two-week Open Enrollment set forth in Schedule 3. Applications received after the deadline cannot be accepted for that particular open enrollment but can be submitted in a future open enrollment solicitation.

3.3 Rhode Island State Licensing Requirement

Pursuant to R.I. Gen. Laws § 5-65-1, a registered contractor or firm with a contractor's registration shall perform the work associated with the installation of solar energy systems or equipment (i.e. racking systems, in-ground mounting or anchoring).

Renewable energy firms, or their subcontractor or agent conducting the installation, must hold a Rhode Island General Contractors registration and provide their registration number and Electrician license number as part of the interconnection application for the project as a condition of final approval to enroll.

3.4 Confidentiality

Each application shall contain the full name and business address of the Applicant, and a contact person, and shall be signed by an authorized person.

The Board, the OER, and Rhode Island Energy shall enter into an agreement regarding the sharing of the information and data related to the RE Growth Program, including such information as application information, details regarding project ownership, and pricing. At the request of the Board, the OER, Rhode Island Energy, or the Division, the Commission shall have the authority to protect from public disclosure individual information for any projects that have not been awarded a Certificate of Eligibility. Information regarding project size, location, owner, and price will be made public for projects awarded a Certificate of Eligibility.

3.5 Facility Inspection by Independent Quality Inspector

All facilities shall be subject to inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection in reasonable time and with full access to the facility will be considered a potential cause for termination or suspension of PBI payments until cured.

3.6 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules, is subject to the exclusive jurisdiction of the Commission. Rhode Island Energy may, at any time up to the issuance of Certificates of Eligibility (Section 2.2 above) and without any liability on the part of Rhode Island Energy, postpone, withdraw and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

Schedule 1

Approved Annual Enrollment Targets for Program Year 2025

Renewable Energy Class	Plan A 2025 Annual Enrollment Target (Nameplate MW)	Plan B 2025 Annual Enrollment Target (Nameplate MW)
Medium-Scale Solar (>25 – 250 kW DC)	6	6
Commercial-Scale Solar I (>250 to 500 kW DC)	6.5	6.5
Commercial-Scale Solar II (>500 to <1,000 kW DC)	7	7
Large-Scale Solar I (1 to <5 MW DC)**	20	10
Large-Scale Solar II (5 to <10 MW DC)**	30	0
Large-Scale Solar III (10 to <15 MW DC)**	15	0
Large-Scale Solar IV (15 to <39 MW DC)	0	0
CRDG Commercial-Scale Solar I (>250 to 500 kW DC)**	0.5	0.5
CRDG - Commercial-Scale Solar II (>500 to <1,000 kW DC)	1	1
CRDG Large-Scale Solar 1 (1 to <5 MW DC)	5	5
Community Remote and Non-Community Remote Wind	3	3
Anaerobic Digestion (>0 to 5,000 kW)	1	1
Small-Scale Hydropower (>0 to 5,000 kW)		

Note 1: Schedule 1 will be updated as required for each enrollment period via the Rhode Island Renewable Energy Growth Program website. Total enrollment target inclusive of small-scale solar (not shown in this table) is 104 MW and 49 MW for Plan A and Plan B, respectively.

Note 2: Large-Scale Solar projects will only be eligible to bid in the Program Year 2025 Third Open Enrollment.

Note 3: The Plan A Megawatt Allocation Plan will be used unless there is an ASO #3 Transmission Attrition Study that is not complete and valid forty-five (45) days prior to the anticipated opening of the Third Open Enrollment, or unless the Company determines that the ASO#3 applications will be unable to bid due to events for which the Company is not at fault. If either of these conditions are met, the Plan B Megawatt Allocation Plan will be used.

Schedule 2

Approved Renewable Energy Classes and Ceiling Prices Applicable to Program Years 2024-2026

<u>Renewable Energy Class</u>	<u>2024 Ceiling Price (per kWh)</u>	<u>2025 Ceiling Price (per kWh)</u>	<u>2026 Ceiling Price (per kWh)</u>	<u>Term of Service (Years)</u>
<u>Medium-Scale Solar (>25 kW-250 kW DC)</u>	<u>33.15</u>	<u>31.95</u>	<u>31.35</u>	<u>20</u>
<u>Commercial-Scale Solar I (>250-500 kW DC)</u>	29.35	28.55	28.35	20
<u>Commercial-Scale Solar II (>500 to <1,000 kW DC)</u>	24.45	23.75	23.55	20
<u>Large-Scale Solar I (1 to <5 MW DC)</u>	18.65	18.05	17.85	20
<u>Large-Scale Solar II (5 to <10 MW DC)</u>	18.05	17.45	17.25	20
<u>Large-Scale Solar III (10 to <15 MW DC)</u>	18.05	17.45	17.25	20
<u>Large-Scale Solar IV (15 to <39 MW DC)</u>	18.05	17.45	17.25	20
<u>CRDG Commercial-Scale Solar I (>250-500 kW DC)</u>	32.25	31.45	31.25	20
<u>CRDG Commercial-Scale Solar II (>500 to <1,000 kW DC)</u>	27.35	26.65	26.35	20
<u>CRDG Large-Scale Solar I (1 to <5 MW DC)</u>	21.35	20.75	20.52	20
<u>Wind (>0 to 5,000 kW)</u>	20.25	19.85	19.85	20
<u>CRDG Wind (>0 to 5,000 kW)</u>	22.05	21.65	21.75	20
<u>Anaerobic Digestion (>0 to 5,000 kW)</u>	19.05	18.95	19.05	20
<u>Hydroelectric (>0 to 5,000 kW)</u>	34.15	33.35	33.45	20

Schedule 3

Anticipated Timeline

Event	Anticipated Dates
Enrollment Begins	
Due Date for Submission of Applications	
Notice of Selection	
Notice of Non-Selection	
File Results with RI PUC for approval and issuance of Medium-Scale Solar Conditional COEs	
RI PUC Approval (expected)	