EEC Online Public Comments

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Public Comment

These comments are in reference to RIE’s proposal to reduce the ConnectedSolutions residential battery customer incentive rate from $400 to $225/kW-yr and limit access to the very successful HEAT Loan for residential battery customers in the program.

Enphase continues to strongly oppose RIE’s proposed changes, because we believe now is not the time to hastily reduce customer incentives for demand response programs. These demand response programs are already essential for reliable peak load reduction and subsequent customer bill savings, and they will be even more important in the future to ensure Rhode Island will be prepared for future load growth due to beneficial electrification and climate change. Now is the time for Rhode Island stakeholders to work together to monetize additional customer benefits, so these programs can be expanded to meet future needs.

If RIE’s proposal is approved, battery investment and enrollment will plummet to pre-ConnectedSolutions levels in Rhode Island. This assertion is backed by historical installation and enrollment data for Massachusetts and Rhode Island. Not only will this impact the ability to reduce current and future peak demand, it will also result in negative resiliency, environmental, and economic development impacts to Rhode Island.

Therefore, we respectfully urge the EERMC to oppose RIE’s proposal and recommend informed stakeholders collaborate on an up-to-date, fair, and accurate cost effectiveness and benefit-cost analyses based on the RI Test covering current and future benefits and costs. Such analyses should include, at a minimum, incorporation of 1) the latest AESC values and methodologies, 2) expected future trend in avoided distribution infrastructure costs, and 3) proper allocation of program administrative costs, which were somewhat arbitrarily allocated on a $/kW basis for each pathway in a track by RIE. Then, based on the results, stakeholders should work together to develop an improved residential battery program and incentive structure that will support sustainable DER deployment now and into the future. A future program could include additional program benefits that can be monetized, like emergency load reduction, frequency response, distribution network management, and local resiliency.

Finally, we continue to oppose the extremely short notice given to customers and industry stakeholders. A June 1 switch-over date will give customers and stakeholders at best only three months after a PUC decision. We believe affected stakeholders need at least 9 months after a final decision is made before any major program reduction is enacted, so they have time to effectively communicate changes to customers and prevent a very poor customer experience.

Thank you for your consideration.

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Public Comment

Commentary from Dana Goodman, NEC Solar, sales consultant.
While the proposed edits to the original SRP proposal might seem like a consolation to the solar industry, the entire program still falls short of serving local utility clients well and encouraging battery storage adoption for homeowners. Dropping from $400 to $225 is a dramatic decrease in the program incentive for Connected Solutions and absolutely will affect local businesses like ours negatively by reducing customer interest and capability to purchase batteries. It's understood that incentives typically start high to spur interest and then decrease over time as adoption increases. In this case, adoption is not even close to where it needs to be to justify a decrease in the current incentive. Battery technology itself is still such a new concept to homeowners, and to the local community that we've run into electrical inspectors that don't even know how to properly inspect a new battery installation. The current incentive program at $400 is a big component to customer's willingness to embark on a commitment to this new technology. I strongly recommend a more gradual decrease in the incentives over time. The program should remain at $400 for at least another 3 years, and continue with an extended rate lock of 5 years for anyone who enrolls within those 5 years, meaning someone enrolled in 2027 would receive the full $400 incentive until 2032.
There are also many inequities in the proposed SRP that I would like to comment on. First, the commercial incentive is set at $275. Whereas commercial customers have the ability to take depreciation and other tax incentives on any investments for their business, I find it suspect that the commercial incentive is higher than the residential incentive rate. The residential incentive rate is set at $225, even though individual homeowners have fewer options for tax breaks on investment than commercial clients. At worst, the incentive should be equal for both client categories. At best, the incentive should remain at $400 for residential, or possibly the industry could accept a smaller reduction, such as starting a step-down with $350 being the incentive rate lock for 2025, and then

negotiation further step-downs to an eventual rate of $275 which would be on par with what our neighbors are doing in MA. In summary, these changes are going to dramatically affect battery adoption in the state and are going to backfire with a response of frustration from existing customers and confusion from prospective customers who cannot receive the same rates as their neighbors who have batteries. This backfiring is going to affect the industry as a whole, including small family owned companies like ours, by resulting in a dramatic reduction in battery adoption, thus making the program moot with reduced participation. We need a tremendous increase in public education about connected solutions and battery storage. We need to maintain the current incentives and plan for a reasonable step-down over a much more gradual period of time to give residential customers an opportunity to adapt to the changes and adopt the mindset of being changemakers.