



Comment Request Regarding Renewable Energy Growth Program Draft Ceiling Prices and Incentive-Rate Adders

Sustainable Energy Advantage (SEA), on behalf of the Office of Energy Resources (OER), requests comments on the following matters relating to SEA's first draft ceiling prices and incentive rate adders for the Renewable Energy Growth program. **Comments will be due no later than 11:59 am ET on September 29, 2023.**

Please send written comments in a PDF attachment (preferably on organizational letterhead if applicable) to Cal Brown (cbrown@seadvantage.com), copying Jim Kennerly (jkennerly@seadvantage.com), Toby Armstrong (tarmstrong@seadvantage.com), Shauna Beland (shauna.beland@energy.ri.gov), and Karen Bradbury (karen.bradbury@energy.ri.gov)

Please note that all replies with market sensitive information will be held confidential by SEA and should not be sent to the OER staff listed above.

Comment prompts relating to Resource Classes under 5 MW

- It is SEA's understanding that the [2021 International Building Code](#) now includes solar setback requirements applicable to roof mounted projects. For market participants with experience in this market segment, what impact, if any, has the setback requirements had on your projects? What inputs, if any, should SEA revise to account for these impacts?
- As discussed in SEA's first stakeholder meeting, Rhode Island Energy's [Electric System Bulletin](#) now contains requirements that customers upgrading their service must re-locate their meter outside of the building in question at the customer's expense. It is SEA's understanding that this has resulted in significant costs for building-mounted projects to which the requirements might apply. For market participants with experience with this requirement, please provide the expected costs (or range of costs) incurred by projects subject to this requirement. Responses that include documented cost quotes will be most beneficial for SEA's purposes.
- For Solar projects over 25 kW comment on if the following financing inputs have changed (responses accompanied by data substantiating suggested inputs, ideally via a financial pro forma with identifying information redacted, are preferred):
 - Interest rate on term debt
 - Debt Term
 - Tax equity Internal Rate of Return (IRR)
 - Sponsor equity IRR
- For Solar projects under 25 kW comment on if the following financing inputs have changed (responses accompanied by data substantiating suggested inputs, ideally via a financial pro forma with identifying information redacted, are preferred):
 - Interest rate on term debt
 - Debt Term
 - Sponsor equity IRR



Comment prompts relating to Resource Classes over 5 MW and incentive-rate adders

- Based on an analysis of Rhode Island Energy’s distribution-level interconnection queue and ISO-NE’s transmission-level interconnection queue, it is SEA’s understanding that there are no projects above 15 MW that are expected to be eligible to bid into the REG program during program-years 2024 and 2025 (e.g., have an executed ISA). For the purposes of informing OER’s proposed program capacity allocation, if any stakeholders disagree, please comment with supporting evidence.
- SEA is currently modeling incentive-rate adders for resource classes over 1 MW. Although SEA is not modeling unique adder values for smaller resources, this decision does not necessarily preclude resources under 1 MW from qualifying for an adder. As discussed in SEA’s second stakeholder presentation to be delivered September 22nd, SEA proposes that eligible resources under 1 MW receive an incentive-rate adder equal to the calculated Large Solar (1-5 MW) incentive-rate adder. Please provide any comments regarding this proposed approach.
- For projects that are transmission-interconnected, please comment on the expected range of transmission-level operations and maintenance (O&M) costs, also known as Direct Assignment Facilities charges. If available, please provide documented cost quotes to substantiate cost estimates.