

2026 -- S 2359

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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

**RELATING TO PUBLIC UTILITIES AND CARRIERS -- NET METERING -- PORTABLE
SOLAR GENERATION DEVICES**

Introduced By: Senators Valverde, Kallman, DiMario, DiPalma, Lauria, Quezada,
McKenney, Britto, Gu, and Rogers

Date Introduced: January 30, 2026

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-26.4-2 of the General Laws in Chapter 39-26.4 entitled "Net
2 Metering" is hereby amended to read as follows:

3 **39-26.4-2. Definitions.**

4 Terms not defined in this section herein shall have the same meaning as contained in
5 chapter 26 of this title. When used in this chapter:

6 (1) "Community remote net-metering system" means a facility generating electricity using
7 an eligible net-metering resource that allocates net-metering credits to a minimum of one account
8 for a system associated with low- or moderate-income housing eligible credit recipients, or three
9 (3) eligible credit-recipient customer accounts, provided that no more than fifty percent (50%) of
10 the credits produced by the system are allocated to one eligible credit recipient, and provided further
11 at least fifty percent (50%) of the credits produced by the system are allocated to the remaining
12 eligible credit recipients in an amount not to exceed that which is produced annually by twenty-
13 five kilowatt (25 KW) AC capacity. The community remote net-metering system may transfer
14 credits to eligible credit recipients in an amount that is equal to or less than the sum of the usage of
15 the eligible credit recipient accounts measured by the three-year (3) average annual consumption
16 of energy over the previous three (3) years. A projected annual consumption of energy may be used
17 until the actual three-year (3) average annual consumption of energy over the previous three (3)
18 years at the eligible credit recipient accounts becomes available for use in determining eligibility

1 of the generating system. The community remote net-metering system may be owned by the same
2 entity that is the customer of record on the net-metered account or may be owned by a third party.

3 (2) "Core forest" refers to unfragmented forest blocks of single or multiple parcels totaling
4 two hundred fifty (250) acres or greater unbroken by development and at least twenty-five (25)
5 yards from mapped roads, with eligibility questions to be resolved by the director of the department
6 of environmental management. Such determination shall constitute a contested case as defined in
7 § 42-35-1.

8 (3) "Electric distribution company" shall have the same meaning as § 39-1-2, but shall not
9 include Block Island Power Company or Pascoag Utility District, each of whom shall be required
10 to offer net metering to customers through a tariff approved by the public utilities commission after
11 a public hearing. Any tariff or policy on file with the public utilities commission on the date of
12 passage of this chapter shall remain in effect until the commission approves a new tariff.

13 (4) "Eligible credit recipient" means one of the following eligible recipients in the electric
14 distribution company's service territory whose electric service account or accounts may receive
15 net-metering credits from a community remote net-metering system. Eligible credit recipients
16 include the following definitions:

17 (i) Residential accounts in good standing.

18 (ii) "Low- or moderate-income housing eligible credit recipient" means an electric service
19 account or accounts in good standing associated with any housing development or developments
20 owned or operated by a public agency, nonprofit organization, limited-equity housing cooperative,
21 or private developer that receives assistance under any federal, state, or municipal government
22 program to assist the construction or rehabilitation of housing affordable to low- or moderate-
23 income households, as defined in the applicable federal or state statute, or local ordinance,
24 encumbered by a deed restriction or other covenant recorded in the land records of the municipality
25 in which the housing is located, that:

26 (A) Restricts occupancy of no less than fifty percent (50%) of the housing to households
27 with a gross, annual income that does not exceed eighty percent (80%) of the area median income
28 as defined annually by the United States Department of Housing and Urban Development (HUD);

29 (B) Restricts the monthly rent, including a utility allowance, that may be charged to
30 residents, to an amount that does not exceed thirty percent (30%) of the gross, monthly income of
31 a household earning eighty percent (80%) of the area median income as defined annually by HUD;

32 (C) Has an original term of not less than thirty (30) years from initial occupancy.

33 Electric service account or accounts in good standing associated with housing
34 developments that are under common ownership or control may be considered a single low- or

1 moderate-income housing eligible credit recipient for purposes of this section. The value of the
2 credits shall be used to provide benefits to tenants.

3 (iii) "Educational institutions" means public and private schools at the primary, secondary,
4 and postsecondary levels.

5 (iv) "Commercial or industrial customers" means any nonresidential customer of the
6 electric distribution company.

7 (5) "Eligible net-metering resource" means eligible renewable energy resource, as defined
8 in § 39-26-5 including biogas created as a result of anaerobic digestion, but, specifically excluding
9 all other listed eligible biomass fuels.

10 (6) "Eligible net-metering system" means a facility generating electricity using an eligible
11 net-metering resource that, for any system with a nameplate capacity in excess of twenty-five
12 kilowatts (25 KW), is reasonably designed and sized to annually produce electricity in an amount
13 that is equal to, or less than, the renewable self-generator's usage at the eligible net-metering system
14 site measured by the three-year (3) average annual consumption of energy over the previous three
15 (3) years at the electric distribution account(s) located at the eligible net-metering system site. A
16 projected annual consumption of energy may be used until the actual three-year (3) average annual
17 consumption of energy over the previous three (3) years at the electric distribution account(s)
18 located at the eligible net-metering system site becomes available for use in determining eligibility
19 of the generating system. For any system with a nameplate capacity equal to or less than twenty-
20 five kilowatts (25 KW), eligibility shall not be restricted based on prior consumption. The eligible
21 net-metering system may be owned by the same entity that is the customer of record on the net-
22 metered accounts or may be owned by a third party that is not the customer of record at the eligible
23 net-metering system site and which may offer a third-party, net-metering financing arrangement or
24 net-metering financing arrangement, as applicable. Notwithstanding any other provisions of this
25 chapter, any eligible net-metering resource: (i) Owned by a public entity, educational institution,
26 hospital, nonprofit, or multi-municipal collaborative; or (ii) Owned and operated by a renewable-
27 generation developer on behalf of a public entity, educational institution, hospital, nonprofit, or
28 multi-municipal collaborative through a net-metering financing arrangement shall be treated as an
29 eligible net-metering system and all accounts designated by the public entity, educational
30 institution, hospital, nonprofit, or multi-municipal collaborative for net metering shall be treated as
31 accounts eligible for net metering within an eligible net-metering system site; or (iii) Owned and
32 operated by a renewable-generation developer on behalf of one or more commercial or industrial
33 customer(s) through net-metering financing arrangement(s) shall be treated as an eligible net-
34 metering system within an eligible net-metering system site. Notwithstanding any other provision

1 to the contrary, effective July 1, 2060, an eligible net-metering system means a facility generating
2 electricity using an eligible net-metering resource that is interconnected behind the same meter as
3 the net-metering customer's load. "[Eligible net-metering system](#)" does not include a portable solar
4 [generation device.](#)

5 (7) "Eligible net-metering system site" means the site where the eligible net-metering
6 system or community remote net-metering system is located or is part of the same campus or
7 complex of sites contiguous to one another and the site where the eligible net-metering system or
8 community remote net-metering system is located or a farm on which the eligible net-metering
9 system or community remote net-metering system is located. Except for an eligible net-metering
10 system owned by or operated on behalf of a public entity, educational institution, hospital,
11 nonprofit, or multi-municipal collaborative or for a commercial or industrial customer through a
12 net-metering financing arrangement, the purpose of this definition is to reasonably assure that
13 energy generated by the eligible net-metering system is consumed by net-metered electric service
14 account(s) that are actually located in the same geographical location as the eligible net-metering
15 system. All energy generated from any eligible net-metering system is, and will be considered,
16 consumed at the meter where the renewable energy resource is interconnected for valuation
17 purposes. Except for an eligible net-metering system owned by, or operated on behalf of, a public
18 entity, educational institution, hospital, nonprofit, or multi-municipal collaborative, or for a
19 commercial or industrial customer through a net-metering financing arrangement, or except for a
20 community remote net-metering system, all of the net-metered accounts at the eligible net-metering
21 system site must be the accounts of the same customer of record and customers are not permitted
22 to enter into agreements or arrangements to change the name on accounts for the purpose of
23 artificially expanding the eligible net-metering system site to contiguous sites in an attempt to avoid
24 this restriction. However, a property owner may change the nature of the metered service at the
25 accounts at the site to be master metered in the owner's name, or become the customer of record
26 for each of the accounts, provided that the owner becoming the customer of record actually owns
27 the property at which the account is located. As long as the net-metered accounts meet the
28 requirements set forth in this definition, there is no limit on the number of accounts that may be net
29 metered within the eligible net-metering system site.

30 (8) "Excess renewable net-metering credit" means a credit that applies to an eligible net-
31 metering system or community remote net-metering system for that portion of the production of
32 electrical energy beyond one hundred percent (100%) and no greater than one hundred twenty-five
33 percent (125%), except for any system with a nameplate capacity equal to or less than twenty-five
34 kilowatts (25 KW) for which excess renewable net-metering credit applies to all production of

1 electrical energy beyond one hundred percent (100%) of the renewable self-generator's own
2 consumption at the eligible net-metering system site or the sum of the usage of the eligible credit
3 recipient accounts associated with the community remote net-metering system during the
4 applicable billing period.

5 For electrical energy produced greater than one hundred percent (100%) of the renewable
6 self-generator's own electricity consumption at the eligible net-metering system site or the sum of
7 the usage of the eligible credit recipient accounts associated with the community remote net-
8 metering system during the applicable billing period, excess renewable net-metering credits shall
9 be equal to the wholesale electricity rate, which is hereby declared to be the ISO-New England
10 energy clearing price. When applying the ISO-New England energy clearing price to calculate the
11 value of excess renewable net-metering credits, the electric distribution company, subject to
12 commission approval and subject to amendment from time to time, may use an annual average,
13 monthly average, or other time increment and may use Rhode Island zone pricing or other
14 applicable locational pricing. The commission shall have the authority to make determinations as
15 to the applicability of this credit to specific generation facilities to the extent there is any uncertainty
16 or disagreement.

17 (9) "Farm" shall be defined in accordance with § 44-27-2, except that all buildings
18 associated with the farm shall be eligible for net-metering credits as long as: (i) The buildings are
19 owned by the same entity operating the farm or persons associated with operating the farm; and (ii)
20 The buildings are on the same farmland as the project on either a tract of land contiguous with, or
21 reasonably proximate to, such farmland or across a public way from such farmland.

22 (10) "Hospital" means and shall be defined and established as set forth in chapter 17 of
23 title 23.

24 (11) "Multi-municipal collaborative" means a group of towns and/or cities that enter into
25 an agreement for the purpose of co-owning a renewable-generation facility or entering into a
26 financing arrangement pursuant to subsection (15).

27 (12) "Municipality" means any Rhode Island town or city, including any agency or
28 instrumentality thereof, with the powers set forth in title 45.

29 (13) "Net metering" means using electrical energy generated by an eligible net-metering
30 system for the purpose of self-supplying electrical energy and power at the eligible net-metering
31 system site, or with respect to a community remote net-metering system, for the purpose of
32 generating net-metering credits to be applied to the electric bills of the eligible credit recipients
33 associated with the community net-metering system. The amount so generated will thereby offset
34 consumption at the eligible net-metering system site through the netting process established in this

1 chapter, or with respect to a community remote net-metering system, the amounts generated in
2 excess of that amount will result in credits being applied to the eligible credit-recipient accounts
3 associated with the community remote net-metering system.

4 (14) "Net-metering customer" means a customer of the electric distribution company
5 receiving and being billed for distribution service whose distribution account(s) are being net
6 metered.

7 (15) "Net-metering financing arrangement" means arrangements entered into by a public
8 entity, educational institution, hospital, nonprofit, multi-municipal collaborative, or a commercial
9 or industrial customer with a private entity to facilitate the financing and operation of a net-metering
10 resource, in which the private entity owns and operates an eligible net-metering resource on behalf
11 of a public entity, educational institution, hospital, nonprofit, multi-municipal collaborative, or
12 commercial or industrial customer, where: (i) The eligible net-metering resource is located on
13 property owned or controlled by the public entity, educational institution, hospital, municipality,
14 multi-municipal collaborative, or commercial or industrial customer as applicable; and (ii) The
15 production from the eligible net-metering resource and primary compensation paid by the public
16 entity, educational institution, hospital, nonprofit, multi-municipal collaborative, or commercial or
17 industrial customer to the private entity for such production is directly tied to the consumption of
18 electricity occurring at the designated net-metered accounts.

19 (16) "Nonprofit" means a nonprofit corporation as defined and established through chapter
20 6 of title 7, and shall include religious organizations that are tax exempt pursuant to 26 U.S.C. §
21 501(d).

22 (17) "Person" means an individual, firm, corporation, association, partnership, farm, town
23 or city of the state of Rhode Island, multi-municipal collaborative, or the state of Rhode Island or
24 any department of the state government, governmental agency, or public instrumentality of the
25 state.

26 (18) "Portable solar generation device" means a moveable photovoltaic generation device
27 that:

28 (i) Has a maximum power output of not more than one thousand two hundred watts
29 (1,200W);

30 (ii) Is designed to be connected to a building's electrical system through a standard one
31 hundred twenty volt (120V) alternating current outlet;

32 (iii) Is intended primarily to offset part of the customer's electricity consumption;

33 (iv) Meets the standards of the most recent version of the National Electrical Code; and

34 (v) Is certified by Underwriters Laboratories or an equivalent nationally recognized testing

1 laboratory.

2 ~~(18)~~(19) “Preferred site” means a location for a renewable energy system that has had prior
3 development, including, but not limited to: landfills, gravel pits and quarries, highway and major
4 road median strips, brownfields, superfund sites, parking lots or sites that are designated
5 appropriate for carports, and all rooftops including, but not limited to, residential, commercial,
6 industrial, and municipal buildings.

7 ~~(19)~~(20) “Project” means a distinct installation of an eligible net-metering system or a
8 community remote net-metering system. An installation will be considered distinct if it is installed
9 in a different location, or at a different time, or involves a different type of renewable energy.
10 Subject to the safe-harbor provisions in § 39-26.4-3(a)(1), new and distinct projects cannot be
11 located on adjoining parcels of land within core forests, except for preferred sites.

12 ~~(20)~~(21) “Public entity” means the federal government, the state of Rhode Island,
13 municipalities, wastewater treatment facilities, public transit agencies, or any water distributing
14 plant or system employed for the distribution of water to the consuming public within this state
15 including the water supply board of the city of Providence.

16 ~~(21)~~(22) “Public entity net-metering system” means a system generating renewable energy
17 at a property owned or controlled by the public entity that is participating in a net-metering
18 financing arrangement where the public entity has designated accounts in its name to receive net-
19 metering credits.

20 ~~(22)~~(23) “Renewable net-metering credit” means a credit that applies to an eligible net-
21 metering system or a community remote net-metering system up to one hundred percent (100%) of
22 either the renewable self-generator’s usage at the eligible net-metering system site or the sum of
23 the usage of the eligible credit-recipient accounts associated with the community remote net-
24 metering system over the applicable billing period. This credit shall be equal to the total kilowatt
25 hours of electrical energy generated up to the amount consumed on-site, and/or generated up to the
26 sum of the eligible credit-recipient account usage during the billing period multiplied by the sum
27 of the distribution company’s:

28 (i) Last resort service kilowatt-hour charge for the rate class applicable to the net-metering
29 customer, except that for remote public entity and multi-municipality collaborative net-metering
30 systems that submit an application for an interconnection study on or after July 1, 2017, and
31 community remote net-metering systems, the last resort service kilowatt-hour charge shall be net
32 of the renewable energy standard charge or credit;

33 (ii) Distribution kilowatt-hour charge;

34 (iii) Transmission kilowatt-hour charge; and

1 (iv) Transition kilowatt-hour charge.

2 For projects after April 15, 2023, subject to the allowable two hundred seventy-five

3 megawatts alternating current (275 MWac), under § 39-26.4-3(a)(1)(vi), the credit shall be reduced

4 by twenty percent (20%).

5 Notwithstanding the foregoing, except for systems that have requested an interconnection
6 study for which payment has been received by the distribution company, or if an interconnection
7 study is not required, a completed and paid interconnection application, by December 31, 2018, the
8 renewable net-metering credit for all remote public entity and multi-municipal collaborative net-
9 metering systems shall not include the distribution kilowatt-hour charge commencing on January
10 1, 2060.

11 ~~(23)~~(24) “Renewable self-generator” means an electric distribution service customer of
12 record for the eligible net-metering system or community remote net-metering system at the eligible
13 net-metering system site which system is primarily designed to produce electrical energy for
14 consumption by that same customer at its distribution service account(s), and/or, with respect to
15 community remote net-metering systems, electrical energy which generates net-metering credits to
16 be applied to offset the eligible credit-recipient account usage.

17 ~~(24)~~(25) “Third party” means and includes any person or entity, other than the renewable
18 self-generator, who or that owns or operates the eligible net-metering system or community remote
19 net-metering system on the eligible net-metering system site for the benefit of the renewable self-
20 generator.

21 (25)(26) “Third-party, net-metering financing arrangement” means the financing of
22 eligible net-metering systems or community remote net-metering systems through lease
23 arrangements or power/credit purchase agreements between a third party and renewable self-
24 generator, except for those entities under a public entity net-metering financing arrangement. A
25 third party engaged in providing financing arrangements related to such net-metering systems with
26 a public or private entity is not a public utility as defined in § 39-1-2.

27 SECTION 2. Chapter 39-26.4 of the General Laws entitled "Net Metering" is hereby
28 amended by adding thereto the following section:

39-26.4-3.1. Portable solar generation device -- Exemptions -- Requirements.

30 (a) A portable solar generation device that meets the requirements of this chapter is exempt
31 from:

32 (1) interconnection standards and utility technical requirements; and

33 (2) requirements for submission of a complete interconnection application to the electric
34 distribution company, along with proof of system eligibility, permits, and technical compliance,

1 leading to an approved agreement before grid connection; and

2 (3) is not subject to the net metering program requirements under this chapter.

3 (b) A portable solar generation device shall include a device or feature that prevents the

4 system from energizing the building's electrical system during a power outage.

5 (c) An electrical distribution company:

6 (1) May not require a customer using a portable solar generation device to:

7 (i) Obtain the electrical corporation's approval before installing or using the system;

8 (ii) Pay any fee or charge related to the system; or

9 (iii) Install any additional controls or equipment beyond what is integrated into the system;

10 (iv) Is not liable for any damage or injury caused by a portable solar generation device.

11 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO PUBLIC UTILITIES AND CARRIERS -- NET METERING -- PORTABLE
SOLAR GENERATION DEVICES

- 1 This act would exclude portable solar generation devices intended primarily to offset part
- 2 of a customer's electricity consumption from the definition of eligible net-metering system.
- 3 This act would take effect upon passage.

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