LC002553

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS -- RENEWABLE ENERGY STANDARD

Introduced By: Senators Patalano, Dimitri, Ciccone, Burke, Raptakis, Thompson, Britto,

Appollonio, Gallo, and de la Cruz

Date Introduced: March 27, 2025

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-26-4 of the General Laws in Chapter 39-26 entitled "Renewable

Energy Standard" is hereby amended to read as follows:

39-26-4. Renewable energy standard.

- 4 (a) Starting in compliance year 2007, all obligated entities shall obtain at least three percent
- 5 (3%) of the electricity they sell at retail to Rhode Island end-use customers, adjusted for electric
- 6 line losses, from eligible renewable energy resources, escalating, according to the following
- 7 schedule:

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- 8 (1) At least three percent (3%) of retail electricity sales in compliance year 2007;
- 9 (2) An additional one-half of one percent (0.5%) of retail electricity sales in each of the
- following compliance years 2008, 2009, 2010;
- 11 (3) An additional one percent (1%) of retail electricity sales in each of the following
- compliance years 2011, 2012, 2013, 2014, provided that the commission has determined the
- 13 adequacy, or potential adequacy, of renewable energy supplies to meet these percentage
- 14 requirements;
- 15 (4) An additional one and one-half percent (1.5%) of retail electricity sales in each of the
- 16 following compliance years 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022;
- 17 (5) [Deleted by P.L. 2016, ch. 144, § 1 and P.L. 2016, ch. 155, § 1.]
- 18 (6) An additional four percent (4%) of retail electricity sales in 2023;

1 (7) An additional five percent (5%) of retail electricity sales in 2024; 2 (8) An additional six percent (6%) of retail electricity sales in 2025 2035; (9) An additional seven percent (7%) of retail electricity sales in 2026 2036 and 2027 2037; 3 (10) An additional seven and one-half percent (7.5%) of retail electricity sales in 2028 4 5 <u>2038</u>; (11) An additional eight percent (8%) of retail electricity sales in 2029 2039; 6 7 (12) An additional eight and one-half percent (8.5%) of retail electricity sales in 2030 2040; 8 (13) An additional nine percent (9%) of retail electricity sales in 2031 2041; and 9 (14) An additional nine and one-half percent (9.5%) of retail electricity sales in 2032 2042 10 and 2033 2043 to achieve the goal that one hundred percent (100%) of Rhode Island's electricity 11 demand is from renewable energy by 2033 2043 and each year thereafter. 12 (b) For each obligated entity and in each compliance year, the amount of retail electricity 13 sales used to meet obligations under this statute that are derived from existing renewable energy 14 resources shall not exceed two percent (2%) of total retail electricity sales. 15 (c) The minimum renewable energy percentages set forth in subsection (a) shall be met for 16 each electrical energy product offered to end-use customers, in a manner that ensures that the 17 amount of renewable energy of end-use customers voluntarily purchasing renewable energy is not 18 counted toward meeting such percentages. Notwithstanding the foregoing, municipalities engaged 19 in aggregation pursuant to § 39-3-1.2 may include in their aggregation plan terms that would allow 20 voluntary renewable energy products to be counted toward meeting such percentages. In 2024, the 21 commission, with input from the office of energy resources, division of public utilities and carriers, 22 obligated entities, other market participants, and the public, shall assess the impact of allowing 23 voluntary renewable energy purchases to be counted toward meeting the annual percentages. The 24 commission shall submit a report of its findings and recommendations to the governor, speaker of 25 the house, and senate president no later than September 1, 2024. 26 (d) To the extent consistent with the requirements of this chapter, compliance with the 27 renewable energy standard may be demonstrated through procurement of NE-GIS certificates 28 relating to generating units certified by the commission as using eligible renewable energy sources, 29 as evidenced by reports issued by the NE-GIS administrator. Procurement of NE-GIS certificates 30 from off-grid and customer-sited generation facilities, verified by the commission as eligible 31 renewable energy resources, may also be used to demonstrate compliance. With the exception of 32 contracts for generation supply entered into prior to 2002, initial title to NE-GIS certificates from 33 off-grid and customer-sited generation facilities and from all other eligible renewable energy

resources, shall accrue to the owner of such a generation facility, unless such title has been

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explicitly deemed transferred pursuant to contract or regulatory order.

(e) In lieu of providing NE-GIS certificates pursuant to subsection (d) of this section, an

3 obligated entity may also discharge all or any portion of its compliance obligations by making an

4 alternative compliance payment to the renewable energy development fund established pursuant to

5 § 39-26-7.

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6 (f) Retail electricity sales pursuant to a nonregulated power producer's supply contract that

7 was executed prior to July 1, 2022, shall be required to obtain an additional one and one-half percent

8 (1.5%) of retail electricity sales each year and are exempted from the requirements of subsections

(a)(6) through (a)(14) of this section until the end date of the term of the nonregulated power

producer's supply contract.

SECTION 2. 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 -- RENEWABLE ENERGY STANDARD

This act would amend the renewable energy standard obligations of entities to sell at retail to Rhode Island customers.

This act would take effect upon passage.

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