

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIES -- MICROGRIDS DOCKET

Introduced By: Senators Zurier, Euer, Lauria, and Sosnowski

Date Introduced: March 07, 2023

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. The General Assembly hereby finds:

2 (1) Rhode Island residents and businesses are vulnerable to disruptions to its electrical
3 system caused by extreme weather and other system constraints. In response to these disruptions,
4 multiple United States jurisdictions have sought to establish microgrids, or smaller grids with local
5 control capability that can disconnect from the larger electricity grid and operate autonomously.

6 (2) Increased use of renewable energy, advanced distributed energy resources, and energy
7 efficiency in Rhode Island provides significant economic, health, environmental, and workforce
8 benefits to the State. Microgrids have the ability to facilitate the achievement of Rhode Island's
9 goals as established in the Act on Climate by enabling integration of more renewable energy and
10 other distributed energy resources. Microgrids can also provide valuable services to the public
11 utility's electrical grid, including energy storage, demand response, and other ancillary services
12 such as load shifting, frequency response, and voltage control.

13 (3) Microgrids are able to isolate themselves from the larger electricity grid in times of
14 emergency. By running autonomously, microgrids can provide a building or set of buildings with
15 emergency power for critical medical equipment, refrigeration, and charging communications
16 devices. Microgrids can also provide backup power for hospitals and emergency centers. The use
17 of microgrids would build energy resiliency into our communities, thereby increasing public safety
18 and security.

19 (4) Rhode Island has set some of the most ambitious renewable energy goals in the nation,

1 and few microgrids have been developed, as they have been hindered by a number of factors,
2 including interconnection barriers and a lack of standard terms regarding the value of services
3 exchanged between a microgrid operator and the utility.

4 (5) Without standard terms regarding interconnection and the value of microgrid services,
5 businesses and residents developing microgrids may choose to leave the utility grid altogether,
6 thereby weakening the overall system and increasing costs to other utility customers.

7 SECTION 2. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND
8 CARRIERS" is hereby amended by adding thereto the following chapter:

9 CHAPTER 33

10 MICROGRIDS DOCKET

11 **39-33-1. Definitions.**

12 As used in this chapter:

13 (1) "Commission" means the public utilities commission.

14 (2) "Microgrid project" means a group of interconnected loads and distributed energy
15 resources within clearly defined electrical boundaries that acts as a single controllable entity with
16 respect to the utility's electrical grid and can connect to a public utility's electrical grid to operate
17 in grid-connected mode and can disconnect from the grid to operate in autonomous mode, and that:

18 (i) Is subject to a microgrid services tariff; and

19 (ii) Generates or produces energy.

20 (3) "Microgrid services tariff" means a tariff approved by the commission that:

21 (i) Is designed to provide fair compensation for electricity, electric grid services, and other
22 benefits provided to, or by, the electric utility, the person or entity operating the microgrid, and
23 other ratepayers;

24 (ii) To the extent possible, standardizes and streamlines the related interconnection
25 processes for microgrid projects; and

26 (iii) Does not apply to a municipal utility as described in this title.

27 **39-33-2. Microgrids docket.**

28 (a) By October 1, 2023, the public utilities commission shall open a proceeding to establish
29 a microgrid services tariff.

30 (b) Any person or entity may own or operate an eligible microgrid project or projects;
31 provided that, the person or entity complies with all applicable statutes, rules, tariffs, and orders
32 governing the ownership and interconnection of the project or projects.

33 (c) In establishing a microgrid services tariff, the commission shall consider the actions
34 taken to establish and deploy microgrids in other jurisdictions, including, but not limited to, Puerto

1 [Rico, California, and Hawaii.](#)

2 [\(d\) The general assembly respectfully requests that the commission approve a microgrid](#)
3 [tariff on or before April 1, 2025. If the commission finds that this deadline is not feasible, it shall](#)
4 [provide a detailed report to the general assembly by January 1, 2025 to describe why the original](#)
5 [deadline cannot be met, a new deadline, and what resources are necessary to complete the tariff.](#)

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would, by October 1, 2023, mandate the public utilities commission to establish a
2 microgrid services tariff on a microgrid project. A microgrid project would mean a group of
3 interconnected loads and distributed energy resources within clearly defined electrical boundaries
4 that acts as a single controllable entity with respect to the utility's electrical grid and can connect
5 to a public utility's electrical grid to operate in grid-connected mode and can disconnect from the
6 grid to operate in autonomous mode.

7 This act would take effect upon passage.

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