CAE-002 Q:

Office of Education, Outreach, and Enforcement (EOE) Corresp., March 31, 2026, CCWG Report FINAL (CCWG Report), p. 10. Discuss which part(s) of the RRES program manual or other documents would conflict with the standardized methodology for calculating a customer's annual electricity usage set forth in Proposal 3 of the CCWG Report.

CAE-002 A:

The Residential Renewable Energy Solutions ("RRES") Program, as indicated in the RRES Program Manual, establishes a standardized methodology for calculating a customer's annual electricity usage, primarily based on (i) 12 months of actual usage, (ii) alternative the Public Utilities Regulatory Authority (the "Authority" or "PURA") approved or otherwise reasonable and supportable methodologies if such data is unavailable, and (iii) inclusion of allowable electrification measures.

Review of the RRES Program Manual (Version 2026.1), the RRES Frequently Asked Questions ("FAQ"s), and referenced PURA decisions conflict with the methodology stated in Proposal 3. Several areas of differences will override governesses from the Authority and its directives, orders to the EDC mentioned above and outlined below from the RRES program manual:

- Section N (Maximum Qualified System Size): Requires system sizing based on historical consumption, limiting production to within 5% of prior load plus defined electrification adders. Proposal 3's flexible methodology (particularly for usage under 12 months) could lead to inconsistent baseline usage inputs relative to the fixed assumptions embedded in sizing rules.

- Electrification Adders (Program Manual, Section N): The Manual specifies fixed kWh adders (e.g., EVs, heat pumps). Proposal 3 also allows 'allowable additional electrification,' but without strict numerical constraints, creating potential inconsistency if contractors apply different assumptions.

- Less-than-12-Month Usage Provisions: The Program Manual allows default sizing thresholds (e.g., up to 9 kW without full history), whereas Proposal 3 allows broader 'reasonably accurate methodologies.' These approaches may diverge in practice when estimating usage for new occupants or new construction.

- Customer Disclosure and Compliance Requirements (Section IX): Annual filings require consistent documentation of usage, savings, and methodologies.

  Proposal 3 introduces a variant of the established PURA direct requirements; further, it complicates required and standardized reporting and comparability across contractors.

  Additionally, as directed by the Authority, other program documents, including the RRES FAQs and Project Qualification Guidance, state that system sizing is tied to historical usage and defined assumptions for electrification.

  Proposal 3's purpose (calculating the percentage of usage offset) not only differs but also uses overlapping inputs, which can be confusing if usage values vary between sizing and those verified by historical actuals and required or indicated within the current customer and/or third-party owners' disclosure calculations.

Direct textual conflicts exist and are primary areas of concern. This is most evident in Proposal 3's flexible, disclosure-focused calculation methodology. The proposed methodology serves different purposes but relies on similar inputs, creating a risk of inconsistency (Further define the differences and conflicts, Proposal 3, versus the present and indicated program requirements)

Below is information to review and/or support the above-mentioned.

II. Summary of PURA RRES Dockets (Years 1–6)

- Docket 21-08-02 (Year 1, 2021–2022): Established RRES tariffs replacing net metering and RSIP; introduced system sizing tied to historical consumption and defined program structure.
- Docket 22-08-02 (Year 2, 2022–2023): Refined tariff rates and initiated Application Process Working Group (APWG), emphasizing consistency in application data and disclosures.
- Docket 23-08-02 (Year 3, 2023): Expanded customer protection requirements; enhanced review of Customer Disclosure Forms and contractor calculation methodologies.
- Docket 24-08-02 (Year 4, 2024): Sought stakeholder input on Program Manual updates, application fees, and compliance practices.
- Docket 25-08-02 (Year 5, 2025): Updated tariff rates and formally directed development of standardized methodologies (including Proposal 3) to improve disclosure consistency.
- Docket 26-08-02 (Year 6, 2026): Ongoing review incorporating CCWG recommendations and evaluating standardization of financial and usage calculations across contractors.

Sources: PURA RRES Program web materials and docket summaries; RRES Program Manual Version 2026.1; CCWG Report (March 31, 2026).