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Public Utilities Regulatory Authority
Ten Franklin Square
New Britain, CT 06051

**Re: Docket No. 26-08-02: Annual Residential Renewable Energy Solutions Program Review and Rate Setting - Year 6.**

Dear Commissioners:

The Office of Consumer Counsel ("OCC") submits these written comments in response to the Authority's First Notice of Request for Written Comments, issued May 11, 2026, in the above-captioned docket.

OCC fully supports the goals of the Residential Renewable Energy Solutions ("RRES") Program and the deployment of residential solar energy in Connecticut. However, OCC's support for renewable energy does not diminish its obligation to ensure that ratepayers both those who participate in the RRES Program and those who do not participate are protected from inflated cost estimates and program structures that impose costs beyond what is necessary to achieve the program's objectives. The comments below reflect OCC's commitment to those principles.

## I. RATE SETTING

OCC appreciates that the Authority is seeking input on all available avenues to alleviate costs to ratepayers, including federal and state tax credits, general fund or bond funding, and available grants. OCC recommends that the Authority require all parties submitting cost assumptions to identify the source, date and methodology underlying those assumptions and to expressly distinguish Connecticut-specific data from broader regional or national benchmarks, so that any claimed cost increases are supported by transparent and verifiable documentation. OCC also notes that a historical look at these costs with recognition that materials and supply chain costs may have risen in recent years and would be appropriate context for the Authority's analysis.

OCC also recommends that the Authority evaluate historic deployment levels and compensation levels under the RRES Program in order to set 2027 rates in a manner that appropriately balances the interests of all Connecticut ratepayers. As this is the final year of the RRES Program in its current form, OCC does not anticipate material changes to the methodology for determining rates. However, given rising input costs and the changed federal incentive landscape, OCC is mindful of the need for cost containment especially since RRES is notably one of the most expensive current Renewable Energy Tariff programs[1] and urges the Authority to consider whether the volume of MWs authorized for Year 7 should be moderated accordingly.

### A. Average Upfront Installed System Costs

OCC is concerned that the loss of the federal residential Investment Tax Credit ("ITC") and other federal incentives will place upward pressure on average upfront installed system costs for residential solar. While 2026 is the first year in which residential projects no longer qualify for the ITC, the full impact of that loss on upfront pricing is not yet fully established in the market record.

OCC notes that the Authority has historically relied on upfront installed system costs as one of five factors used to calculate the ratepayer-supported rate of return previously set at 9% to 11% used to achieve RRES program objectives, including the goal of fostering development of Connecticut's solar industry.[2] OCC believes that Connecticut's residential solar industry is now mature and robust. In the final year of the RRES Program as currently structured, OCC does not believe it would be appropriate for the program to respond to rising input costs by providing additional ratepayer support. If upfront costs continue to increase as a result of market conditions and the loss of federal incentives, OCC recommends that the Authority consider approving a more limited volume of MWs in Year 7 as a cost containment measure, rather than increasing per-project ratepayer support to compensate for cost increases driven by market and federal policy changes.

### B. ITC and Federal Incentives Currently Available and Expected in 2027

OCC maintains that more empirical data is needed to assess and effectively weigh in on the appropriate course of action needed,[3] and looks forward to working with stakeholders on lessons learned from that proceeding as the program moves into 2027.

Calendar year 2027 will be the first full rate-setting year in which residential solar projects will not qualify for the ITC under Section 25D. Based on prior program workbooks, the ITC has

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[1] The average Non-residential Renewable Energy Solutions program project costs $194/MWh, while the average Shared Clean Energy Facilities project costs $114/MWh, see Final Decision, Docket No:25-08-01, 2025 Clean and Renewable Energy Program Data and Report, April 22nd 2026.At the current residential retail rate (May 2025), RRES netting projects enrolling will cost an average of $277/MWh and buy-all projects will cost an average $319/MWh, before the low-income or distressed municipalities adders. (Calculated from compliance filings in the respective program's annual review docket.)

[2] *See* Final Decision in Docket 25-08-02, *Annual Residential Renewable Energy Solutions Program Review, Year 5*, p.10-15, Dec 17th 2025.

[3] See OCC Letter in Lieu of Written Exceptions, Docket No. 25-08-02 Annual Residential Renewable Energy Solutions Program Review Year 5, December 9th 2025

historically contributed approximately 11 cents per kWh on a levelized basis to residential solar project economics.[4] The loss of that credit represents a material change to the cost structure of the program and will require careful consideration by the Authority and all stakeholders.

As a general matter, OCC does not support a program structure in which the cost of lost federal incentives is fully transferred to Connecticut ratepayers. Residential solar is already the most expensive form of solar energy in Connecticut's renewable energy portfoli[5].  OCC does not believe it is in the interest of ratepayers, particularly non-participating ratepayers, to absorb the full incremental cost increase resulting from the expiration of federal support for an already cost-intensive product. OCC urges the Authority to give careful weight to ratepayer affordability as it evaluates how to treat the loss of the ITC in the 2027 rate-setting process.

### C. Ongoing Operations and Maintenance Costs

OCC notes that ongoing O&M costs are an input to the rate-setting calculation, and that increases in O&M costs will require corresponding increases in ratepayer support if PURA maintains this formula for Year 6 of the program. OCC understands that the EDCs do not currently track O&M costs on a granular basis, and that this data gap limits the precision of O&M assumptions in rate setting.  OCC remains concerned about ratepayers taking on responsibility for inflationary impacts of O&M costs.

Notwithstanding this limitation, OCC cautions that O&M cost assumptions embedded in the rate-setting process should be realistic and grounded in available market data. OCC encourages the Authority and the EDCs to work toward improving the availability of O&M cost data over time. In the interim, OCC urges the Authority to apply conservative O&M assumptions that do not overstate the level of ratepayer support required, consistent with the program's cost containment objectives in its final year.

### D. Connecticut-Specific Residential Solar PV System Performance and Capacity Factors

OCC does not have independent data on Connecticut-specific residential solar PV system performance or capacity factors to present at this time and looks forward to reviewing data submitted by other parties. OCC notes, however, that the capacity factor assumptions used in rate setting have a direct bearing on the accuracy of program cost estimates and the savings projections provided to customers. Overstated capacity factors inflate the apparent value of solar installations and result in rate structures that overcompensate participants at the expense of the broader ratepayer base.

OCC urges the Authority to rely on Connecticut-specific production data from existing RRES installations to the extent available, and to ensure that capacity factor assumptions used in rate setting are consistent with the standardized inputs recommended by the Contract Compliance Working Group ("CCWG") for contractor-provided savings estimates.

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[4] *Id.*, Appendix B, Residential Tariff Model, 2025
[5] See OCC Written Comments, July 17th, 2025

## II. CONTRACTOR COMPLIANCE WORKING GROUP REPORT

OCC thanks EOE for its substantial work in convening and leading the CCWG and preparing the associated Report.[6] Many of EOE's recommendations reflect sound consumer protection principles and were adopted unanimously by the working group. OCC's comments below address areas of agreement as well as areas where OCC has concerns, with particular emphasis on the importance of standardization and ensuring customers receive meaningful information sufficiently in advance of signing a solar contract.

### A. Standardization Over Optionality (Prompts 2a, 2b, 2c)

OCC's overarching position on the CCWG Report is that standardization of information provided to customers is essential to meaningful consumer protection in the RRES Program. Standardization allows customers to accurately compare offers from different solar providers on the basis of consistent assumptions and methodologies. Where the Report recommends standardized approaches, OCC generally supports those recommendations. Where the Report permits solar providers to choose among multiple permissible methodologies, OCC has significant concerns.

Transparency as to which methodology a provider selected is not the same as transparency as to what the resulting savings estimate actually means or whether it is comparable to an estimate prepared under a different methodology; transparency does not always equate to understanding.

OCC supports EOE's recommendations for standardized terminology on Customer Disclosure Forms ("CDFs"), the standardized annual usage calculation, the methodology for estimating year one net savings, and the approach of calculating but not requiring multi-year net savings estimates. These recommendations provide customers with a consistent and verifiable foundation for comparing solar offers.

OCC opposed the Proposal 7 approach to the utility escalation rate,[7] which would permit solar providers to use an escalation rate below the number established by the Authority in its annual RRES docket. OCC likewise opposed the combination of Proposals 4 and 5 on the PV degradation rate, which would permit providers to use panel-specific degradation rates that have not been independently verified against NREL benchmarks. In both instances, OCC's concern is the same: optionality without verified accuracy works against ratepayers by limiting their ability to compare offers on a consistent basis.[8]

With respect to the starting utility rate, OCC supports the principle of standardization but opposes allowing solar providers to calculate savings based on a customer's specific rate over the prior twelve months. Calculating solar savings against an inflated baseline produces a misleading

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[6] Docket No. 25-08-02, *Annual Residential Renewable Energy Solutions Program Review Year 5* -And- Docket No. 26-08-02, *Annual Residential Renewable Energy Solutions Program Review Year 6*, Contractor Compliance Working Group Report, (March 31, 2026).

[7] *Id.*, p. 15. OCC opposed this proposal, stating that the calculation should be based on the Authority's calculation in the annual RRES dockets, which for Docket No. 25-08-02 was a 16-year historical average.

[8] *Id.* For Proposal 5 OCC's objection was that it would be better for the Authority to set the annual PV degradation rate based on evidence as described in Proposal 4.1.

estimate, because the customer could achieve a significant portion of those calculated savings simply by returning to standard service or contracting with a lower-cost supplier. Solar savings should be measured against a realistic and consistent baseline rate.

### B. CDF Timing; Before Contract Signing (Prompt 2d)

OCC's position unequivocally remains that customers must receive the completed Customer Disclosure Form in advance of signing a solar installation contract and not at the time of signing.

A solar contract is not a routine consumer transaction. It is the financial equivalent of purchasing a vehicle, but one affixed to the customer's home that cannot be easily unwound. Customers are committing to a twenty-year financial arrangement with significant implications for their property and utility costs. The Authority itself recognized this in its Final Decision,[9] stating that customers should receive complete financial and production documentation before signing an installation contract and that requiring advance CDF execution "will advance the fourth Program Objective of accessibility."

OCC urges the Authority to give effect to its own prior determination. The inability of the CCWG to reach consensus on this issue, partly driven by solar provider opposition, should not cause the Authority to retreat from a consumer protection standard it has already endorsed. The record shows that some providers currently present and close a majority of their sales in a single visit. OCC finds this practice deeply concerning in the context of a twenty-year financial commitment. The record also reflects that providers can accommodate customers who ask for more time, demonstrating that advance CDF delivery is operationally feasible. Customers should not have to ask for more time. Advance delivery should be the program default.

### C. Timing of Implementation (Prompt 2e)

If the Authority adopts the CDF-before-signing requirement and other CCWG recommendations, OCC supports providing contractors with a reasonable but firm implementation timeline. OCC recommends that the effective date be as near-term as practicable, given that the consumer protection rationale for advance CDF delivery is immediate and ongoing. Where requirements are operationally straightforward such as standardized terminology, OCC sees no basis for a lengthy transition period. For requirements involving more significant process changes, a modestly longer compliance window may be appropriate, provided it does not leave customers without protection in the interim.

### D. Contractor Notification of Adopted Requirements (Prompt 2f)

OCC believes the Authority should use both the present docket and the annual contractor enforcement docket to communicate adopted requirements to solar providers. All RRES contractors will appear on the enforcement docket service list as annual compliance filers, providing a reliable and direct notice channel. OCC also recommends that the Authority establish a dedicated RRES contractor information repository on its website as a centralized and easily

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[9] *See* Final Decision, December 2025 Decision in Docket No. 25-08-02, p. 19-21, December 17th 2025.

accessible reference for all program requirements and adopted guidance. Solar providers should already be monitoring this docket given its direct implications for their businesses.

### E. Residential Tariff Model Consistency (Prompt 2g)

OCC supports using a 20-year average for both inputs, as this is consistent with the standard 20-year contract term and useful life of RRES installations. Aligning the Tariff Model with the same standardized assumptions required of contractors is consistent with OCC's broader principle of standardization and promotes coherence between the Authority's own program economics and the information provided to customers. OCC encourages the Authority to defer to EOE's recommendations on the specific input values and to update the Tariff Model accordingly.[10] To the extent the updated assumptions affect program cost calculations in ways that have material ratepayer impacts, OCC reserves the right to address those implications in supplemental comments.

## III. DC-COUPLED SOLAR AND STORAGE SOLAR PRODUCTION MEASUREMENT

The Authority has requested stakeholder comments on UI's proposals for addressing the measurement of solar production in DC-coupled solar and battery storage systems that share a common inverter. Because DC-coupled systems use shared conversion equipment and internal energy pathways, no revenue-quality metering currently exists on the DC side capable of independently measuring PV generation. This creates challenges for accurately applying the non-bypassable charge ("NBC"), income-eligible and distressed municipality incentive adders, and Renewable Energy Credit ("REC") certification under the RRES Program.

OCC recognizes this is a technically complex issue. OCC's comments on UI's proposals and potential long-term solutions are guided by the interests of ratepayers and program integrity.

### A. UI Proposal 1: Proxy Data for Non-Bypassable Charges and Incentive Adders

UI proposes that NBC charges and incentive adders for affected DC-coupled systems be calculated using a proxy production quantity based on the approved inverter nameplate rating. OCC does not have a strong opposition to a reasonable interim proxy-based approach, provided that it is applied consistently and does not systematically overstate or understate production in ways that produce inequitable outcomes for either participating customers or the broader ratepayer base. OCC urges the Authority to treat any proxy methodology as expressly interim, subject to revision as more accurate measurement solutions become available.

### B. UI Proposal 2: Halt REC Sales into NEPOOL GIS Market

OCC agrees with UI's proposal that RECs from DC-coupled systems should not be sold into the NEPOOL GIS market until the measurement issue is resolved. Where solar generation cannot be independently verified from battery discharge on the DC side, the integrity of those RECs as Class I renewable energy credits cannot be assured. OCC has a strong interest in avoiding REC

[10] *Id.*, Contractor Compliance Working Group Report.

noncompliance, which could undermine the credibility of the program and expose participants to market integrity issues. Pausing REC sales for affected systems until a reliable measurement solution is in place is a reasonable and appropriate safeguard. OCC supports this proposal.

### C. Long-Term Solutions

OCC recognizes that the identification of technically feasible and cost-effective long-term metering solutions for DC-coupled systems is primarily an industry and engineering question, and OCC defers to the expertise of the EDCs and relevant technical stakeholders on the specifics of available metering approaches. OCC does, however, offer the following observations from a ratepayer and program integrity perspective.

Any long-term solution should be standardized across the program to ensure consistent treatment of similarly situated customers. The cost of any required metering upgrades should not be inequitably borne by individual customers, and OCC urges the Authority to consider how those costs should be allocated. OCC also recommends that, pending a long-term solution, customers considering DC-coupled system configurations receive clear pre-contract disclosure of the measurement limitations associated with their system and the potential impact on their program benefits, consistent with OCC's broader position that customers deserve full information before making a long-term solar commitment.

OCC reserves the right to file supplemental comments or to respond to comments filed by other parties as the record in this docket develops. OCC appreciates the opportunity to submit these written comments and thanks the Authority and EOE for their continued work on the RRES Program.

Respectfully submitted,

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