

RE Growth Enrollment and Tariff Overview



Presentation to the Rhode Island Distributed Generation Board
September 22, 2014

The RE Growth Program

- The Program is the result of legislation passed in July 2014 and signed by Gov. Chafee
- The law requires National Grid to seek and enroll 160 MW of nameplate capacity of qualified DG facilities over 5 years, plus any remaining DG Standard Contract capacity at the discretion of the DG Board
- The program is required to be implemented through a tariff rather than contracts
- Enrollees can be paid directly, or integrate their payments with net metering for the kWh value of their usage

Why a tariff?

- In the case of a regulated utility, a tariff is the approved set of rules and rates under which it offers and charges for its service, and has the force of law – it is the means by which utilities do business
- In this case, the RE Growth Program tariff will be an addition to the Narragansett Electric Co. filed tariff
- The RE Growth tariff section will provide a simple, level playing field to customers and other potential DG owners interested in selling DG output and/or RECs to the Company, per the law
- Contracts, by contrast, are often negotiated, and often involve outside legal counsel. By contrast, in a tariff offering, the PUC process pre-negotiates the terms for customers and ensures they are fair.

Organization of RE Growth Program

Getting In:
Enrollment Rules
and Application,
Certificate
Issuance

Rules of the
Program:
Eligibility, Deposit,
and Terms to Start
Payment

Bringing Systems
Online:
Construction,
Output Test,
Effective Date of
Certificate

Overview of Filings and Process

Enrollment Rules

- Eligibility
- Selection Process
- Threshold Criteria: to require a completed Impact Study
- Deposit Requirement for >250kW solar and other technologies
- Ownership of Output is described
- Certificate Issuance by Company to small/med solar, by PUC to all others
- Metering requirements for interconnection design

Tariff Contents

- Terms of PG Deposit
- Interconnection and Metering Specifics
- Ownership of output defined
- Applicant to provide and control inputs, including transfers
- Anti-Segmentation language
- Indicates that Applicant gets PBI
- Terms of termination
- Terms to trigger PBI specified, and payment methods defined

Construction, Output Test and Effective Date

- Systems must meet statutory deadlines for completion
- Output test to be replaced with Output Certification by an professional engineer
- Net Metering credits are directed by Applicant to eligible customer prior to COD
- Trigger start of PBI payments when all conditions met:
Effective Date

Customer view of RE Growth

- Applicants contact National Grid to start interconnection study process, receive Interconnection application number
 - Applicant may be an existing customer, or a project sponsor without an account
- National Grid completes Impact Studies as needed; Applicants for simplified applications (25 kW or less) enter enrollment first and apply for interconnection after grant of Certificate
- Applicants apply for REG tariff enrollment offered by National Grid
- National Grid selects Applicants per the Enrollment Rules; small/medium solar Certificates issued by Company, >250 kW solar and other technology is issued/approved by the PUC
- Applicants/Certificate holders complete installation of systems, and National Grid installs meters and completes all upgrades needed.
- Applicant must select if it will net meter, and indicate account to receive credits prior to Effective Date of the Certificate period
- Once Applicant meets all conditions for payment, the Certificate becomes effective and payments begin under the tariff
- National Grid pays the net PBI each billing period, with any kWh credits flowing to indicated net metering account (subject to eligibility under the Net Metering tariff)

Transfers, Payments and Net Metering

- The Applicant will control the information that is captured by the Company and Commission on the Application and potential Certificate
- The Applicant determines where the PBI is sent, and what account, if any, would receive value for net metering.
- The Company will deduct those kWh-based bill credits from the total PBI, and credit them on the target account's bill.
- The Applicant may transfer the Application or Certificate to another entity by written notification to the Company (60 days notice), or other secure means, as available.

Anticipated Timeline

- File preliminary package of Enrollment Rules and Tariff with the DG Board for review – Oct. 2
- Receive comments from the DG Board – Requesting comments by Oct. 28, with review lasting until Nov. 15
- File Rules and Tariff with the PUC – Nov. 15
- PUC vote on the filing – By March 31
- First enrollment – Late Spring 2015