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RE Growth Program Public Review Meeting

Rhode Island Distributed Generation Board

December 9, 2014



RE Growth Program Changes

- Initial submittal of draft documents on Oct. 2 to DG Board
- Public comments, board questions and comments, and internal discussions yielded a number of changes to initial draft submittal
- Filed proposed Rules and Tariffs with PUC on Nov. 14
- Highlights of changes to four major documents follows

Small System Program: Open Enrollment Process

- Applicable to Residential and Non-Residential systems
- Made major change to allow all Small Solar to be part of the Rolling Open Enrollment process, rather than just “Residential” Small Solar
- Added “good account standing” language to eligibility requirements
- Clarified that the Performance Based Incentive (net of bill credits) for residential customer is just for RECs, but PBI for non-residential accounts includes energy and capacity, which may be netted for bill credits
- Added eligibility requirement of site control and defined the representation that will be required
- Added location of energy delivery requirement for non-residential customers

Small System Program: Segmentation and Sizing Criteria

- Clarified that the anti-segmentation rules does not apply to contiguous properties with distinct customers who both net meter
- Want to avoid conflicts arising from similar offers to neighboring customers from the same developer
- Added clear reference to the eligibility requirements in the net metering tariff
 - The sizing requirement is the three-year average energy usage of the prior three years at the Eligible Net Metering Site
 - Same for residential and non-residential customers wanting bill credit (Option 2) eligibility

Non-Residential Program: Open Enrollment Process

- Changed title to “Solar (>25kw), Wind, Hydro and AD Projects” to be more accurate
- Added the anti-segmentation exception for contiguous properties with separate Option 2 customers, same as Small System clarification
- Clarifying language that small and medium scale solar does not need to provide output certification, but still has a 24 month deadline to be operational

RE Growth Residential Tariff

- Clarified the potential identity of the applicant, eligible customer accounts, and applicant responsibilities
- Clarified that the Company is only buying RECs and environmental attributes from residential customers
- Added that applicants have responsibility to get projects certified as RES eligible facilities in Rhode Island through the PUC certification process
- Added Project Segmentation Section 3 with “neighbor” exception
- Added Termination Section 9 making clear the allowable termination circumstances by customer request, a ban on project expansion, and included language on violation of other tariffs, rules or laws as grounds for potential revocation of the CE
- Note: Not a change, but second meter for residential systems will be paid for by the Company as a program expense

RE Growth Non-Residential Tariff

- Added term in Performance Guarantee Deposit Section 3 stating small and medium solar projects do not need to provide the output certification, but still only have 24 months to achieve operation
- Added exception to the project segmentation rule for projects on contiguous parcels that serve separate customers
 - This means each customer must opt to receive bill credits under Option 2 from their separate, respective systems
- In market products Section 7.a, added that non-residential customers may need to register as RPS eligible in other states at their cost, if the Company directs them to

RE Growth Non-Residential Tariff

- Clarified what “market products” means in the purchased commodities Section 7.c – just energy and environmental regulation related products or services, not any non-energy physical products or non-energy services
- Revised the Termination Section 9 clauses to be more clear, and provide guidance on when the Company would not withhold permission to terminate
- Removed the damages language in the Termination section
- Added violation of other tariffs, rules or laws as grounds for CE termination in Section 9
- Created separate Dispute Resolution Section 10

Illustrative Electric Bill – Residential Full Requirements Customer

■ Delivery Service

- Customer Charge \$ 5.00
- Delivery Service Chgs \$0.07131 x 700 kWh \$ 49.92

■ Supply Service (National Grid)

- Energy Charges \$0.08359 x 700 kWh \$ 58.51

➤ Total Electric Service Charges \$113.43

Illustrative (1) Electric Bill – Residential RE Growth Program

■ Electric Service Bill

■ Delivery Service

Customer Charge		\$ 5.00
Delivery Service Charges	\$0.07131 x 700 kWh	\$ 49.92

■ Supply Service (National Grid)

Energy Charges	\$0.08359 x 700 kWh	<u>\$ 58.51</u>
Current Charges		<u>\$113.43</u>

■ Performance-Based Incentive Payment

■ PBI Payment	\$0.2500 x 1000 kWh	\$250.00
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■ Bill Credit

Delivery Service Charges	\$0.07131 x 700 kWh	\$ 49.92
Energy Charges	\$0.08359 x 700 kWh	<u>\$ 58.51</u>
Total Bill Credit		\$108.43

- Electric Service \$113.43
- Bill Credit (\$108.43)

Total due National Grid

\$5.00

- PBI Payment \$250.00
- Bill Credit (\$108.43)

Recipient Cash Payment

\$141.57

Illustrative (2) Electric Bill – Residential RE Growth Program

■ Electric Service Bill

■ Delivery Service

Customer Charge		\$ 5.00
Delivery Service Charges	\$0.07131 x 700 kWh	\$ 49.92

■ Supply Service (National Grid)

Energy Charges	\$0.18000 x 700 kWh	<u>\$126.00</u>
Current Charges		\$180.92

■ Performance-Based Incentive Payment

■ PBI Payment	\$0.2500 x 700 kWh	\$175.00
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■ Bill Credit

Delivery Service Charges	\$0.07131 x 700 kWh	\$ 49.92
Energy Charges	\$0.18000 x 700 kWh	<u>\$126.00</u>
Total Bill Credit		\$175.92

- Electric Service \$180.92
- Bill Credit (\$175.92)

Total due National Grid

\$5.00

- PBI Payment \$175.00
- Bill Credit (\$175.92)

Recipient Cash Payment

\$0

Non-Residential Projects: Billing of PBI Payments

- Billing Option 1
 - PBI may be paid in the form of a check or in some other form agreeable to the Company and the Applicant
 - If applicant selects this option, Company will establish billing account and PBI payment will be based upon the net output
 - If on-site load is present, the customer will receive electric bill based upon on-site use, PBI payment Recipient will receive PBI payment based upon net output of generation
- Billing Option 2
 - Where on-site load is present, PBI payment may be a combination of Bill Credit to the customer and a check to PBI payment Recipient
- Applicant may change billing option once during the term of tariff

Illustrative Electric Bill – Non- Residential: Option 1

■ Electric Service Bill

Delivery Service

Customer Charge (Small C&I)	\$ 10.00
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■ Performance-Based Incentive Payment

PBI Payment	$\$0.2500 \times 1000$	\$250.00
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➤ Total Due Customer/Recipient	\$240.00
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Interconnection Progress Requirements and Differences

- The new program will require all applicants except for those proposing small scale solar projects to be substantially advanced in the interconnection process
- A project must have either a signed Interconnection Services Agreement (along with payments for any upgrades), or a completed Impact Study for Renewable Distributed Generation (ISRDG) as part of its application
- Small Scale solar projects will apply to the RE Growth program while applying for interconnection
 - Small program interconnection application to include RE Growth application section