

## SEA Schedule 7 – REG 2024-2026 PY BCA Benefits Methodology

Benefit Category	Description of Benefit	Source of Value
<b>Avoided Energy Benefits</b>	The value of energy generated by modeled DG (offsetting the need to purchase energy from other generators in ISO-NE wholesale energy markets).	<a href="#">2024 Avoided Energy Supply Component (AESC)</a>
<b>Energy Demand Reduction-Induced Price Effects (DRIPE) Benefits</b>	The assumed change in the ISO-NE wholesale energy prices resulting from additional supply from modeled DG.	AESC 2024
<b>Energy Cross-DRIPE</b>	The assumed change in natural gas prices (and, in turn, ISO-NE wholesale energy prices) resulting from reduced wholesale energy requirements.	AESC 2024
<b>Avoided Capacity Benefits</b>	The value of capacity from modeled DG in the ISO-NE Forward Capacity Market (FCM).	AESC 2024 and <a href="#">2023 ISO-NE CELT Report</a>
<b>Capacity DRIPE Benefits</b>	The assumed change in the price paid to resources assuming a capacity supply obligation (CSO) in the FCM resulting from the additional capacity bid by modeled DG.	AESC 2024
<b>Transmission Benefits**</b>	The avoided cost of new transmission assets and facilities resulting from modeled DG.	AESC 2024
<b>Reliability Benefits</b>	The value of improved reliability of the electric system resulting from increased capacity procured through the FCM, as a result of increased low-cost supply (rather than reduced demand alone) reducing clearing price.	AESC 2024
<b>Renewable Energy Credit (REC) Benefits</b>	The value of RECs titled to (and resold by) Rhode Island Energy at forecasted commodity REC values.	<a href="#">Sustainable Energy Advantage's New England Renewable Energy Market Outlook (REMO)</a>
<b>Non-Embedded Greenhouse Gas (GHG) Reduction Benefits</b>	Value, based on a social cost of carbon methodology, of reduced GHG emissions not already captured in energy prices, adjusted to reduce overlap for benefits captured in REC value.	AESC 2024
<b>Ecosystem Services Benefits</b>	The non-carbon value of ecosystem services associated with improved water supply, water quality, flood and storm damage mitigation, wildlife habitat and air pollution removal provided by conserved open space. This is applied as a cost to greenfield projects, but represents an incremental benefit for adder-eligible projects.	<a href="#">Delaware Valley Regional Planning Commission study</a>
<b>Societal Benefit of Brownfield Remediation</b>	The societal benefits of brownfield remediation, as measured through changes in property value near remediated sites.	<a href="#">Haninger et al. 2017</a>
<b>Macroeconomic Benefits</b>	Economic impacts (e.g., jobs, spending) resulting from the construction and operation of modeled DG projects.	National Renewable Energy Laboratory's Jobs and Economic Impact ( <a href="#">JEDI</a> ) model

\*\*Given that all REG Projects are front-of-meter resources not paired with energy storage that are connected to the distribution system, much of the capacity in the program is connected to solar-saturated circuits. Therefore, as a simplification measure, no distribution benefits were calculated for Solar projects in the REG program. However, it is likely that these benefits exist, but are highly location-specific.