SEA Schedule 11 – REG 2026 PY BCA Benefits Methodology

Benefit Category	Description of Benefit	Source of Value
Avoided Energy Benefits	The valued of energy generated by modeled DG (offsetting the need to purchase energy from other generators in ISO-NE wholesale energy markets).	2024 Avoided Energy Supply Component (AESC)
Energy Demand Reduction-Induced Price Effects (DRIPE) Benefits	The assumed change in the ISO-NE wholesale energy prices resulting from additional supply from modeled DG.	AESC 2024
Energy Cross-DRIPE	The assumed change in natural gas prices (and, in turn, ISO-NE wholesale energy prices) resulting from reduced wholesale energy requirements.	AESC 2024
Avoided Capacity Benefits	The value of capacity from modeled DG in the ISO-NE Forward Capacity Market (FCM).	AESC 2024 and 2023 ISO-NE CELT Report
Capacity DRIPE Benefits	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
Transmission Benefits**	The avoided cost of new transmission assets and facilities resulting from modeled DG.	AESC 2024
Reliability Benefits	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
Renewable Energy Credit (REC) Benefits	The value of RECs titled to (and resold by) Rhode Island Energy at forecasted commodity REC values.	Sustainable Energy Advantage's New England Renewable Energy Market Outlook (REMO)
Non-Embedded Greenhouse Gas (GHG) Reduction Benefits	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
Ecosystem Services Benefits	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.	Delaware Valley Regional Planning Commission study
Societal Benefit of Brownfield Remediation	The societal benefits of brownfield remediation, as measured through changes in property value near remediated sites.	Haninger et al. 2017
Macroeconomic Benefits	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 (JEDI) 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.