

November 13, 2020

**VIA ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: 2021 Renewable Energy Growth Program Tariff and Rule Changes**  
**Docket No. xxxx**

Dear Ms. Massaro:

On behalf of National Grid,<sup>1</sup> enclosed please find an electronic version<sup>2</sup> of the following documents for filing in the above-referenced docket:

1. Pre-filed Direct Testimony of Ian Spingsteel and Meghan McGuinness in support of National Grid's proposed changes to the 2021 Renewable Energy (RE) Growth Program.
2. Schedule NG-1 – Solicitation and Enrollment Process Rules for Small-Scale Solar Projects (Redlined and Clean);
3. Schedule NG-2 – Solicitation and Enrollment Process Rules for Solar (Greater Than 25kW), Wind, Hydro and Anaerobic Digester Projects (Redlined and Clean);
4. Schedule NG-3 – RIPUC No. 2151-H, Renewable Energy Growth Program for Residential Customers (Redlined and Clean);
5. Schedule NG-4 – RIPUC No. 2152-H Renewable Energy Growth Program for Non-Residential Customers (Redlined and Clean);
6. Schedule NG-5 – Presentation to the Distributed Generation Board on the Tariff

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

<sup>2</sup> Pursuant to the Rhode Island Public Utilities Commission's guidance concerning the COVID-19 emergency period, National Grid is submitting an electronic version of this filing followed by an original and five hard copies filed with the Clerk within 24 hours of the electronic filing. Given this filing is on a Friday, the hard copies will be submitted on Monday, November 16, 2020.

and Rule Changes for the 2021 Program Year;

7. Schedule NG-6 – Benefit-Cost Analysis for Low-Income CRDG Incentive; and
8. Schedule NG-7 – Benefit-Cost Analysis for Continuation of Solar Carport Incentive.

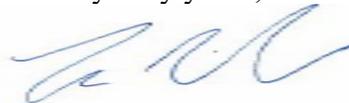
As explained in detail in the Pre-Filed Direct Testimony of Ian Springsteel and Meghan McGuinness, National Grid has made the following proposed changes to the 2021 RE Growth Program Tariffs and Rules:

- Low-Income Community Remote Distributed Generation (CRDG) Incentive: The Company is proposing an incentive of \$0.03 per kilowatt-hour (kWh) for CRDG projects that subscribe a minimum of 20 percent of output to customers on the electric retail delivery service tariff Low Income Rate A-60 (Rate A-60).
- Continuation of Solar Carport Incentive: The Company is proposing to extend the Solar Carport Incentive, which it introduced in the 2020 RE Growth Program in Docket No. 4983, but at a lower adder rate of \$0.05 per kWh. Other aspects of the Solar Carport Incentive remain the same.
- Other Changes: In addition, the Company has updated its RE Growth tariffs and rules to reflect the replacement of “Standard Offer Service” with “Last Resort Service,” effective January 1, 2021.

In addition, the 2021 RE Growth Program Tariffs and Rules include the recommended ceiling prices and allocation plan of the Distributed Generation Board.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2126.

Very truly yours,



Laura C. Bickel

Enclosures

cc: Docket 4983 Service List  
Leo Wold, Esq.  
Jon Hagopian, Esq.  
John Bell, Division

**Docket No. xxxx– Renewable Energy Growth Program for Year 2021**  
**RI Distributed Generation Board and National Grid**  
Service List updated 11/13/2020

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**Testimony of Ian Testimony  
of Springsteel and  
McGuinness**

**PRE-FILED DIRECT TESTIMONY**

**OF**

**IAN SPRINGSTEEL**

**AND MEGHAN MCGUINNESS**

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1 **I. Introduction and Qualifications**

2 **Q. Mr. Springsteel, please state your full name and business address.**

3 A. My name is Ian Springsteel. My business address is 40 Sylvan Road, Waltham,  
4 Massachusetts 02451.

5 **Q. By whom are you employed and in what capacity?**

6 A. For the past 10 years, I have been employed by National Grid Service Company, a  
7 subsidiary of National Grid USA. I am currently Director of U.S. Retail Regulatory  
8 Strategy in the Strategy and Regulation department. In this role, I am responsible for  
9 general regulatory matters, policy development, and filings, including oversight of the  
10 development and implementation of the Renewable Energy Growth Program for The  
11 Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”).

12 **Q. Please describe your educational background and professional experience.**

13 A. I have a Bachelor of Arts degree in Comparative Political Economy from Boston  
14 University and a Master of Public Administration from the Harvard Kennedy School of  
15 Government, with concentrations in regulatory analysis and finance.

16 Prior to working for National Grid Service Company, I started and ran Green Edge  
17 Solutions, a clean energy consultant company for public and private clients for a little  
18 more than one year. Before that, for four years, I was a senior program manager at the

1 Massachusetts Technology Collaborative, which managed the Massachusetts Renewable  
2 Energy Trust. Prior to that, and prior to attending the Harvard Kennedy School, I worked  
3 as a journalist, editor, and consultant, covering business and economics for a variety of  
4 publications for approximately 12 years.

5 **Q. Have you testified previously before the Rhode Island Public Utilities Commission**  
6 **(PUC)?**

7 A. Yes, I have testified before the PUC in several regulatory proceedings, most recently in  
8 the Company's 2020 Renewable Energy Growth Program filing in Docket No. 4983.

9 **Q. Ms. McGuinness, please state your full name and business address.**

10 A. My name is Meghan McGuinness. My business address is 40 Sylvan Road, Waltham,  
11 Massachusetts 02451.

12 **Q. By whom are you employed and in what capacity?**

13 A. I am employed by National Grid Service Company. as a Principal Analyst, U.S. Retail  
14 Regulatory Strategy in the Strategy and Regulation department. In this position, I support  
15 the development of regulatory and policy strategy related to clean energy, climate policy,  
16 and regulatory frameworks, including for the Company.

17 **Q. Please describe your educational background and professional experience.**

18 A. I received a Bachelor of Arts in Economics and Environmental Studies from Middlebury

1 College in 2000, and a Master of Science in Technology and Policy from Massachusetts  
2 Institute of Technology (“MIT”) in 2008. Prior to joining National Grid in 2016, I  
3 worked on energy and environmental policy and regulatory issues affecting utilities for a  
4 number of organizations, including the Bipartisan Policy Center, NERA Economic  
5 Consulting, MIT’s Center for Energy and Environmental Policy Research, the United  
6 States Environmental Protection Agency, and Resources for the Future.

7 **Q. Have you testified previously before the PUC?**

8 A. Yes, I testified before the PUC in the Company’s last base distribution rate case in  
9 Docket No. 4770. I have also represented the Company in technical sessions before the  
10 PUC in multiple proceedings.

11 **II. Purpose of Testimony**

12 **Q. What is the purpose of your testimony?**

13 A. The purpose of our testimony is to explain the proposed changes to National Grid’s  
14 Renewable Energy Growth (RE Growth) tariffs and enrollment rules for the 2021  
15 program year. Specifically, for the 2021 RE Growth Program year (the “2021 Program  
16 Year”), the Company is proposing the following changes to its tariffs and rules:

- 17 • Low-Income Community Remote Distributed Generation (CRDG) Incentive: The  
18 Company is proposing an incentive of \$0.03 per kilowatt-hour (kWh) for CRDG

1 projects that subscribe a minimum of 20 percent of output to customers on the  
2 electric retail delivery service tariff Low Income Rate A-60 (Rate A-60).

- 3 • Continuation of Solar Carport Incentive: The Company is proposing to extend the  
4 Solar Carport Incentive, which it introduced in the 2020 RE Growth Program in  
5 Docket No. 4983, but at a lower adder rate of \$0.05 per kWh. Other aspects of  
6 the Solar Carport Incentive remain the same.
- 7 • Other Changes: In addition, the Company has updated its RE Growth tariffs and  
8 rules to reflect the replacement of “Standard Offer Service” with “Last Resort  
9 Service,” effective January 1, 2021.

10 **Q. Are you sponsoring any attachments with your testimony?**

11 A. Yes. We are sponsoring the following attachments with our testimony for the PUC’s  
12 review and approval:

- 13 1. Schedule NG-1 – Solicitation and Enrollment Process Rules for Small-Scale Solar  
14 Projects (Redlined and Clean);
- 15 2. Schedule NG-2 – Solicitation and Enrollment Process Rules for Solar (Greater  
16 Than 25kW), Wind, Hydro and Anaerobic Digester Projects (Redlined and  
17 Clean);
- 18 3. Schedule NG-3 – RIPUC No. 2151-H, Renewable Energy Growth Program for  
19 Residential Customers (Redlined and Clean);
- 20 4. Schedule NG-4 – RIPUC No. 2152-H Renewable Energy Growth Program for  
21 Non-Residential Customers (Redlined and Clean);
- 22 5. Schedule NG-5 – Presentation to the Distributed Generation Board on the Tariff  
23  
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25  
26

1                   and Rules Changes for the 2021 Program Year;

2  
3           6.     Schedule NG-6 – Benefit Cost Analysis for Low-Income CRDG Incentive; and

4  
5           7.     Schedule NG-7 – Benefit Cost Analysis for Solar Carport Incentive.<sup>1</sup>

6   **Q.    How is your testimony organized?**

7    A.    Sections I and II of our testimony provide introductory information and an overview of  
8           our testimony. Section III provides an overview of the public policy evaluation process  
9           performed by the Company in collaboration with the consultant for the Office of Energy  
10          Resources (OER), Sustainable Energy Advantage, LLC (SEA), for consideration by the  
11          Distributed-Generation Board (DG Board). Section IV explains the proposed changes for  
12          the 2021 Program Year, including the Low-Income CRDG Incentive and Continuation of  
13          the Solar Carport Incentive. Section V provides an assessment of the 2021 Program Year  
14          changes under the framework established by Docket No. 4600. Section VI describes the  
15          performance metrics for the RE Growth Program and provides other updates.

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<sup>1</sup> The Company is seeking the PUC's approval of Schedules NG-1 through NG-4, but is not seeking approval of Schedules NG-5 through NG-7.

1 **III. Public Policy Adder Evaluation Process**

2 **Q. Please describe how the Company evaluated public policy incentive-payment adders**  
3 **for the 2021 Program Year.**

4 A. The Company evaluated public policy incentive-payment adders<sup>2</sup> for the 2021 Program  
5 Year using the process outlined by PUC Report and Order No. 23849 (Order 23849) in  
6 Docket No. 4983. Pursuant to Rhode Island General Laws § 39-26.6-22, the Company  
7 may propose an adder to achieve “other public policy objectives that provide identifiable  
8 benefits to customers.” To evaluate and develop the adders proposed in the 2021  
9 Program Year, the Company took the following steps. First, in April 2020, the Company  
10 consulted with the OER and the DG Board to evaluate and consider new adders for two  
11 categories – one for the beneficial siting of solar and a second for low-income customer  
12 engagement – along with an extension of an existing adder, the Solar Carport Pilot  
13 program, to determine whether the adders are consistent with the statutory guidelines and  
14 with the goals established in Docket No. 4600. Next, once the parties agreed upon the  
15 policy goals, the Company collaborated with OER’s consultant, SEA, to develop  
16 assumptions and inputs for benefit-cost assessment of the adders intended to encourage  
17 the use of “disturbed sites,” such as landfills, brownfields, and gravel pits, as well as  
18 medium-scale rooftops. The Company also considered how an adder might be designed

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<sup>2</sup> Incentive-payment adders are not the same as performance-based incentives the Company may be entitled to because incentive-payment adders are intended “to provide the electric distribution company with the flexibility to encourage distributed-generation projects to be located in designated geographical areas within its load zone when there is an identifiable system benefit, reliability benefit, or cost savings to the distribution system in that geographical area.” R.I. Gen. Laws § 39-26.6-22. In this filing, the Company uses the term “incentive” and “adder” interchangeably to refer to an “incentive-payment adder.”

1 to encourage broader low-income access to the benefits of RE Growth in a cost-effective  
2 manner. In addition, with regard to existing adders, the Company worked closely with  
3 SEA to evaluate an extension of the Solar Carport Pilot for the 2021 Program Year.

4 The Company provided monthly updates on its analysis to the DG Board, and also  
5 presented its analytical approach and findings in a series of webinars for stakeholders in  
6 July, August, and September 2020. The Company presented its final recommendations to  
7 the DG Board for a vote on October 26, 2020. The DG Board approved the Company's  
8 recommendations for the 2021 Program Year.

9 During this collaborative process, the Company considered and deferred for future  
10 discussion new adders for two other categories – energy storage systems and locational  
11 system benefits. The Company expects to reconsider energy storage for the 2022  
12 program year, and the Company, OER, and the DG Board all agreed to defer their  
13 consideration of locational system benefits given ongoing work under System Reliability  
14 Procurement to consider non-wires alternatives to address system needs, as well as the  
15 Company's forthcoming Advanced Metering Infrastructure and Grid Modernization  
16 proposals, which will have implications for enhanced visibility of locational impacts on  
17 the system.

1 **Q. What public policy incentives is the Company proposing for the 2021 Program**  
2 **Year?**

3 A. For the 2021 Program Year, the Company is proposing two public policy incentives.

4 First, the Company is proposing the Low-Income CRDG Incentive for any wind or solar  
5 CRDG projects that serve customers on the Company's Rate A-60 (i.e., its low-income  
6 customer rate) and meet the incentive requirements. The Company found that an adder  
7 targeting CRDG projects serving low-income customers could provide a cost-effective  
8 and equitable way of expanding access to the benefits of renewable energy for the  
9 Company's Rate A-60 customers. The Company's data suggests that such customers are  
10 underrepresented in RE Growth participation. For example, Rate A-60 customers  
11 represent 8 percent of the Company's residential customers, but are served by only 3  
12 percent of small-scale solar RE Growth projects. An adder that encourages CRDG  
13 projects to serve low-income customers could provide meaningful customer bill savings,  
14 as well as additional utility cost savings and economic benefits.

15 Second, the Company is proposing to extend the Solar Carport Incentive for the 2021  
16 Program Year, but to lower the incentive to \$0.05 per kWh to encourage only the most  
17 cost-effective carport projects. Three carport projects were awarded a Certificate of  
18 Eligibility (COE) that include the Solar Carport Incentive for the 2020 RE Growth  
19 Program year (2020 Program Year). One additional carport project is currently being  
20 evaluated under the third open enrollment for the 2020 Program Year, but has not yet  
21 been awarded a COE. As SEA suggests in its analysis, the small number of carport

1 projects that were awarded the adder in the 2020 Project Year makes it difficult to  
2 conclusively evaluate the benefits and costs of the pilot. Despite the small number of  
3 projects and limited data, there is initial evidence that “identifiable benefits to customers”  
4 are likely to result from the Solar Carport Incentive, as required by Rhode Island General  
5 Laws § 39-26.6-22. Moreover, the Company’s benefit-cost analysis of the Solar Carport  
6 Incentive suggests that the program is cost effective pursuant to the Rhode Island Test for  
7 Medium-Scale and Commercial Scale Solar projects, and for Large-Scale Solar projects  
8 under a high benefits scenario. Thus, the Company recommends an extension of the  
9 Solar Carport Incentive in the 2021 Program Year to collect more data on carport costs,  
10 benefits, and RE Growth bidding behavior.

11 The Company is not proposing adders related to other beneficial siting categories  
12 because, after evaluation and collaboration with OER and the DG Board, it did not find  
13 sufficient evidence in current data to support the existence of potential system benefits  
14 associated with encouraging development of projects on disturbed sites such as landfills,  
15 brownfields, and gravel pits. As such, the Company determined that adders in support of  
16 such projects were unlikely to meet the standards in Order 23849, and further elaborated  
17 on in technical sessions under Docket No. 4604 held on May 12, 2020 and August 13,  
18 2020. There are, however, quantifiable societal benefits associated with such projects  
19 that result from preservation of forest and greenfield space. While medium-scale rooftop  
20 projects were found to provide meaningful system savings in the form of lower than  
21 average interconnection costs and associated ongoing operation and maintenance

1 (“O&M”) savings, these projects represent the majority of projects awarded a COE in the  
2 medium-scale category, such that an adder would be likely to provide additional  
3 compensation to projects that would occur in the absence of the adder.

4 **IV. Details of Changes to Tariffs and Enrollment Rules**

5 **A. Low-Income CRDG Incentive**

6 **Q. Please explain the nature and purpose of the Low-Income CRDG Incentive.**

7 A. The Low-Income CRDG Incentive is intended to encourage development of CRDG  
8 projects that directly benefit customers on the Company’s Rate A-60. As discussed  
9 above, Rate A-60 customers are underrepresented as beneficiaries of RE Growth overall,  
10 despite contributing to the cost of the program. CRDG projects provide the potential for  
11 any Rate A-60 customer to benefit. Because access to the benefits of the project will not  
12 depend on a customer’s ability to install renewable energy at a place of residence, low-  
13 income customers can benefit from a RE Growth project regardless of their location and  
14 whether they own or rent their home.

15 The Company proposes that the Low-Income CRDG Incentive be set at \$0.03 per kWh  
16 for the 2021 Program Year. To qualify for the incentive, projects must have subscribed  
17 at least 20 percent of the project’s capacity to Low-Income CRDG customers. The  
18 incentive would be applied only to the portion of energy from the system that is allocated  
19 to such customers. Developers will be required to share at least two-thirds of the value of

1           the adder to subscribed Low-Income CRDG customers, in addition to the minimum bill  
2           credit required for CRDG projects.

3 **Q.   How did the Company determine the proposed value for the Low-Income CRDG**  
4 **Incentive?**

5 A.   During the public policy adder evaluation process, SEA conducted an analysis of the  
6       costs of different types of distributed generation projects, including projects serving low-  
7       income customers. This analysis suggested an incremental cost associated with low-  
8       income customer recruitment of \$0.024 to \$0.025 cents per kWh. The Company believes  
9       that an incentive \$0.03 per kWh, with at least two-thirds of that value returned to  
10      customers, is appropriate given the relatively modest minimum enrollment target  
11      proposed for the 2021 Program Year.

12       In addition, the Company is exploring how it might use a portion of the RE Growth  
13       marketing budget to inform Rate A-60 customers of the opportunity to participate in a  
14       community solar project, and help them use existing resources to identify CRDG project  
15       sponsors that are seeking to enroll such customers. One such resource is the OER's  
16       community solar project referral website.

1 **Q. Please describe the public policy objectives advanced by the Low-Income CRDG**  
2 **Incentive.**

3 A. As required by Rhode Island General Laws § 39-26.6-22, an incentive proposed by the  
4 Company must “achieve other technical or public policy objectives that provide  
5 identifiable benefits to customers.” The Low-Income CRDG Incentive is designed to  
6 advance the important objective of advancing equitable access to the benefits of Rhode  
7 Island’s renewable energy programs, which is an ongoing goal of OER. This incentive  
8 provides identifiable benefits to all customers by virtue of reducing utility costs  
9 associated with bill non-payment, and it directly benefits Low-Income CRDG customers  
10 by providing them with bill savings.

11 **Q. How does the Company propose to define a Low-Income CRDG customer?**

12 A. The Company proposes to define a Low-Income CRDG customer as a residential  
13 customer of the Company who is enrolled in Rate A-60, and who enrolls with a CRDG  
14 facility to receive bill credits.

15 **Q. Which RE Growth projects may qualify for the Low-Income CRDG Incentive?**

16 A. To qualify for the Low-Income CRDG Incentive, a CRDG project must qualify within  
17 the Large Solar CRDG, Commercial Solar CRDG, or Wind CRDG classes. Facilities  
18 that have been previously issued a COE after successfully bidding in a past open  
19 enrollment that wish to enroll in the Low-Income CRDG Incentive may do so if they are  
20 not yet in operation. The Company will collect details regarding the proposed facility’s

1 expected capacity allocation for Low-Income CRDG customers in the application  
2 process. If the proposed Low-Income CRDG project is selected by the Company, then  
3 the Company will notify the applicant that it has been awarded a conditional COE.  
4 Before the project begins operating, the Company will verify the percent of capacity  
5 allocated to Low-Income CRDG customers based on the project's submitted  
6 Payment/Credit Transfer Form, which will note the billing accounts for the Low-Income  
7 CRDG customers who are Bill Credit Recipients for the project. The Low-Income  
8 CRDG Incentive will be added to the competitively bid performance-based incentive of  
9 the specific project, once it is operating, for each kWh credit delivered to eligible Low-  
10 Income CRDG Customers who are Bill Credit Recipients. The Customer will not receive  
11 the Low-Income CRDG Incentive for any kWh credits provided to other, non-eligible  
12 customers.

13 **Q. How does the Company determine the incentive amount for each project?**

14 A. When the Company notifies applicants that they have been awarded a COE in the  
15 enrollment period, the amount of the Low-Income CRDG Incentive is added to each kWh  
16 that has been allocated to Low-Income CRDG customers.

17 **Q. Please provide an example of how the incentive calculation would work.**

18 A. Assume that a two megawatt (MW) proposed solar facility submits a bid in an Open  
19 Enrollment in the Large Solar CRDG class for \$0.13 per kWh, and it is a winning bid  
20 price that does not include the Low-Income CRDG Incentive value. Further, assume that

1           25 percent of the project’s direct current (DC) capacity, or 0.5 MW DC, has been  
2           subscribed by Low-Income CRDG customers. For all kWh associated with Low-Income  
3           CRDG customer subscriptions, the Company would add the \$0.03 per kWh to the \$0.13  
4           per kWh bid price, upon verification of this allocation and the satisfaction of all other  
5           final enrollment requirements.

6   **Q.   How will the Company ensure that projects receiving the Low-Income CRDG**  
7   **Incentive maintain the necessary allocation of output to Low-Income CRDG**  
8   **customers?**

9   **A.**If the enrollment of Low-Income CRDG customers in such an eligible facility falls below  
10          10 percent of its output over a program year, the project portion of the incentive will be  
11          withheld by the Company until enrollment is increased back to 20 percent of annual  
12          generation. All withheld amounts will be paid once the facility is in good standing with  
13          this provision.

14   **Q.   During the evaluation stage, what feedback did the Company receive on the Low-**  
15   **Income CRDG Incentive?**

16   **A.**Two stakeholders suggested that the Low-Income CRDG Incentive be expanded to apply  
17          to all categories of RE Growth programs. One of those stakeholders indicated that the  
18          Company should consider the guidelines under the Solar Massachusetts Renewable  
19          Target (SMART) Program Guidelines Regarding Low Income Generation Units as a  
20          potential model for supporting verification of benefits to low or moderate income (LMI)  
21          customers who are served by a non-CRDG project.

1 **Q. What is the Company's response to this feedback?**

2 A. In order to ensure that the Low-Income CRDG Incentive provides its intended benefits,  
3 the Company believes that it must confidently verify the delivery of bill savings to  
4 participating Low-Income CRDG customers. The existing CRDG bill credit process  
5 provides such a mechanism. To that end, limiting the focus of an adder initially on  
6 CRDG projects appears cost-effective and administratively efficient. In addition,  
7 allowing Rate A-60 customers to benefit from CRDG projects regardless of whether they  
8 own or rent the property provides an opportunity to expand solar to a broad group of Rate  
9 A-60 customers.

10 The Company expects to gain experience from the introduction of this adder. With more  
11 experience, the Company is willing to consider future expansion of this incentive to  
12 increase the ability to reach economically disadvantaged customers who may not be on  
13 Rate A-60.

14 **Q. Did the Company evaluate bill impacts to participating Low-Income CRDG**  
15 **customers?**

16 A. Yes. There are two source of bill savings to Low-Income CRDG customers. First, the  
17 Company requires that a portion of the adder be returned to Low-Income CRDG  
18 customers, which is equal to \$0.02 per kWh. Second, Low-Income CRDG customers  
19 receive the Minimum Bill Credit required for CRDG projects, which is equal to \$0.0089  
20 to \$0.0125 per kWh in the 2021 Program Year, depending on the CRDG class. A typical  
21 Rate A-60 customer, assuming an average monthly consumption of 511 kWh, would be

1 expected to receive bill credits totaling \$16.61 per month, which is an annual savings of  
2 approximately \$200. For reference, these savings are about three times the average bill  
3 savings expected for low-income customers from the Company's Income Eligible energy  
4 efficiency programs.

5 **B. Continuation of the Solar Carport Incentive**

6 **Q. Please describe the Company's Solar Carport Incentive proposal for the 2021**  
7 **Program Year.**

8 A. For the 2021 Program Year, the Company proposes to extend the Solar Carport Incentive  
9 implemented in the 2020 Program Year, but to modify the incentive rate from \$0.06 per  
10 kWh to \$0.05 per kWh. In addition, the Company proposes to allow solar carport  
11 projects in the Medium Scale Solar class to also receive the incentive.

12 **Q. Why does the Company believe it is important to continue the Solar Carport**  
13 **Incentive for the 2021 Program Year?**

14 A. As stated earlier in our testimony, initial evidence from the three enrolled carport projects  
15 indicates that the Solar Carport Incentive Pilot provides system cost savings to customers  
16 and is cost effective pursuant to the Rhode Island Test. Also, the Solar Carport Incentive  
17 represents an important signal to encourage siting of renewable energy projects at  
18 already-developed locations, and avoiding disturbance and development of greenfield  
19 locations, a policy priority for the OER. While data on the impact of the Solar Carport  
20 Incentive remains limited, extending it for a second year would further develop the

1 Company's findings and allow the Company to evaluate the impact of the adjusted price  
2 signal on outcomes under the RE Growth Program.

3 The Company believes it is appropriate to continue an incentive focused specifically on  
4 solar carports for two reasons. First, in its evaluation of potential adders for other  
5 preferred siting categories such as landfills, brownfields and rooftops, the Company did  
6 not find evidence that would support the development of a broader siting focused adder  
7 inclusive of those categories. Second, parking lots represent an important resource for  
8 solar development in Rhode Island, and one that will avoid the adverse environmental  
9 and societal impacts associated with development of solar projects on greenfield sites. A  
10 recent study by Synapse Energy Economics, conducted for OER, found that parking lots  
11 are the second largest potential solar resource for Rhode Island, representing 1,060 MW  
12 in technical potential for solar development.<sup>3</sup>

13 **Q. Why is the Company adjusting the value of the Solar Carport Incentive for the 2021**  
14 **Program Year?**

15 A. The value of the Company's proposed adjusted adder is based on its review of carport bid  
16 prices for the 2020 Program Year, which has suggested that two of the three accepted  
17 carport projects could have remained competitive with higher bids and a reduced adder.  
18 The Company's proposed adder value is also based on consideration of the top quartile of  
19 performers in SEA's analysis of carport project costs, from a capital and operating cost

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<sup>3</sup> Knight, P., C. Odom, E. Camp, D. Bhandari, and J. Frost, Solar Siting Opportunities for Rhode Island, prepared for Rhode Island Office of Energy Resources (August 31, 2020).

1 perspective. In making this proposal, the Company seeks to offer a meaningful incentive  
2 that encourages development of the most cost-effective carport projects and addresses  
3 concerns about the cost of the adder.

4 **C. Other Changes to RE Growth Tariffs and Rules**

5 **Q. Is the Company proposing any other changes to its RE Growth tariffs and rules?**

6 A. Yes. In Docket Nos. 4935 and 4978, the PUC approved a change in all Company tariffs  
7 to replace “Standard Offer Service” with “Last Resort Service.” As a result, the  
8 Company has updated all its tariffs to reflect the change to Last Resort Service. In  
9 compliance with Docket Nos. 4935 and 4978, the Company is including the proposed  
10 changes from “Standard Offer Service” to “Last Resort Service” in the RE Growth tariffs  
11 and rules.

12 **V. Assessment of the Rule and Tariff Changes under Docket No. 4600 Framework**

13 **Q. How should these proposed RE Growth rule and tariff changes be viewed under the**  
14 **PUC’s framework set forth in Docket No. 4600?**

15 A. The Company’s proposals will provide additional financial benefits to participating  
16 customers in the RE Growth Program compared to the current set of rules and provide  
17 benefits to customers overall. The PUC’s Guidance on Goals, Principles and Values for  
18 Matters Involving the Company set forth in Docket No. 4600 (Docket 4600 Framework)  
19 articulates the following goals for the “new” electric system in Rhode Island:

- 1           1. Provide reliable, safe, clean and affordable energy to Rhode Island customers  
2           over the long term (this applies to all energy use, not just regulated fuels).
  
- 3           2. Strengthen the RI economy, support economic competitiveness, retain and create  
4           jobs by optimizing the benefits of a modern grid and attaining appropriate rate  
5           design structures.
  
- 6           3. Address the challenge of climate change and other forms of pollution.
  
- 7           4. Prioritize and facilitate increasing customer investment in their facilities.  
8           (efficiency, distributed generation, storage, responsive demand, and the  
9           electrification of vehicles and heating) where that investment provides  
10          recognizable net benefits.
  
- 11          5. Appropriately compensate distributed energy resources for the value they provide  
12          to the electricity system, customers, and society.
  
- 13          6. Appropriately charge customers for the cost they impose on the grid.
  
- 14          7. Appropriately compensate the distribution utility for the services it provides.
  
- 15          8. Align distribution utility, customer, and policy objectives and interests through  
16          the regulatory framework, including rate design, cost recovery, and incentives.

17          The changes related to the addition of the Low-Income CRDG Incentive and extension of  
18          the Solar Carport Incentive are discussed in more detail below. The changes in the RE

1 Growth tariffs and rules to reflect the change to Last Resort Service in place of Standard  
 2 Offer Service serve only to align the terminology within all Company’s tariffs to provide  
 3 updated information for customers and policy makers.

4 **A. Low-Income CRDG Incentive**

5 **Q. Please explain how the Low-Income CRDG Incentive advances the Docket No. 4600**  
 6 **principles and goals for the electric system as required by PUC Order No. 22851.**

7 A. The table below provides a summary of how the Low-Income CRDG Incentive either  
 8 advances or is neutral to specific goals of Docket No. 4600.

<b>Docket 4600 Goal</b>	<b>Impact</b>
Provide reliable, safe, clean, and affordable energy to Rhode Island customers over the long term (this applies to all energy use, not just regulated fuels).	Advance. The Low-Income CRDG Incentive will expand access to the benefits of solar energy to the Company’s Rate A-60 customers.
Strengthen the Rhode Island economy, support economic competitiveness, retain and create jobs by optimizing the benefits of a modern grid and attaining appropriate rate design structures;	Advance. The Low-Income CRDG Incentive will provide bill savings to Rate A-60 customers, which will both support timely bill payment that provides utility cost savings and local spending by these customers. Both outcomes are expected to increase local economic activity.
Address the challenge of climate change and other forms of pollution.	Advance. It is not clear whether the Low-Income CRDG Incentive will encourage incremental solar capacity as opposed to changing the mix of projects under the RE Growth Program; however, by promoting more equitable access to the benefits of renewable energy to low-income customers, the adder may enhance broad support of Rhode Island’s climate policies.
Prioritize and facilitate increasing customer investment in their facilities	Neutral. While the Low-Income CRDG Incentive may not increase total solar

(efficiency, distributed generation, storage, responsive demand, and the electrification of vehicles and heating) where that investment provides recognizable net benefits.	capacity installed in Rhode Island, it will increase access for low-income customers to the benefits of solar without the need to make up-front investments.
Appropriately compensate distributed energy resources for the value they provide to the electricity system, customers, and society.	Advance. The Low-Income CRDG Incentive will increase compensation for CRDG project developers that subscribe low-income customers and advance the important goal of equitable access to renewable energy generation.
Appropriately charge customers for the cost they impose on the grid.	Advance. While the Low-Income CRDG Incentive does not fundamentally alter rate design, by reducing low-income customer arrearages, it will provide savings in the associated utility costs that are broadly socialized across all customers.
Appropriately compensate the distribution utility for the services it provides.	Neutral. The Company would receive remuneration associated with the Low-Income CRDG Incentive pursuant to the RE Growth statute.
Align distribution utility, customer, and policy objectives and interests through the regulatory framework, including rate design, cost recovery, and incentives.	Advance. By increasing the compensation level for CRDG projects serving Rate A-60 customers, the Low-Income CRDG Incentive provides will support the development of such projects and expand low-income customer access to the benefits of distributed renewable energy generation.

- 1 **Q. Did the Company perform a benefit-cost analysis of the Low-Income CRDG**  
2 **Incentive?**
- 3 A. Yes, the Company performed a benefit-cost analysis (BCA) of the Low-Income CRDG  
4 Incentive in accordance with the Docket 4600 Framework. This analysis is provided in  
5 Schedule NG-6 and is summarized in the tables below for the Commercial-Scale Solar  
6 CRDG case.

<b>Benefit and Cost Summary</b>	<b>NPV (\$/kW)</b>
<b>Costs</b>	
Adder Cost	\$ 408
Remuneration to NECO per REG Statute	\$ 7
<b>Benefits</b>	
Utility Cost Savings	\$ 24
Price Hedging	\$ 7
Participant Bill Savings	\$ 272
<b>Total Costs</b>	<b>\$ 415</b>
<b>Total Quantified Benefits</b>	<b>\$ 303</b>
<b>BCA Ratio</b>	<b>0.73</b>

- 1 **Q. Please describe the Company’s approach to developing a BCA for the Low-Income**  
2 **CRDG Incentive.**
- 3 A. The Company focused on the costs and benefits that result specifically from the adder,  
4 and not from other elements of RE Growth. The Company compared scenarios where a  
5 Low-Income CRDG project enabled by the adder displaced a same-sized CRDG project.  
6 The Company then evaluated incremental differences in power system impacts, customer  
7 costs and benefits, and societal benefits that would result from selecting a Low-Income  
8 CRDG project instead of another CRDG project that does not serve Rate A-60 customers.

1 **Q. For which Docket 4600 Framework categories did the Company find evidence of**  
2 **incremental costs?**

3 A. Schedule NG-6 provides a summary of how the Company’s analysis considered all  
4 categories of the Docket 4600 Framework. The primary sources of incremental costs in  
5 the Company’s analysis are the cost of the adder, and the 1.75 percent remuneration rate  
6 to the Company.

7 **Q. For which Docket 4600 Framework categories did the Company find evidence of**  
8 **incremental benefits?**

9 A. The primary sources of incremental benefits in the Company’s analysis are utility system  
10 savings from reduced arrearages, reduced terminations and disconnections, reduced bad  
11 debt write-offs, reduced customer calls and collections, and reduced notices; and savings  
12 to participating low-income customers. In addition, the Company would expect local  
13 economic benefits from these bill savings in the form of increased state gross domestic  
14 product. In general, economic research suggests that low-income populations have a high  
15 marginal propensity to consume, such that the aggregate economic impact of a dollar  
16 returned to these customers is greater than for the population as a whole.<sup>4</sup> The Company  
17 has not quantified these benefits for inclusion in the BCA for two reasons. First, the  
18 Company’s economic modeling tool includes only aggregate representation of residential  
19 customers, so it cannot fully capture the benefits of programs targeting low-income

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<sup>4</sup> See, e.g., Fisher, J., D. Johnson, T. Smeeding, and J. Thompson, Estimating the Marginal Propensity to Consume Using the Distributions of Income, Consumption, and Wealth, Federal Reserve Bank of Boston Working Paper No. 19-4 (February 2019). The authors found that marginal propensity to consume is 10 times higher for the lowest wealth quintile than the highest, and about 2.7 times higher than for the aggregate population.

1 customers. Second, there is inherent uncertainty regarding nature of beneficiaries and  
2 size of bill credits that would occur in a counterfactual CRDG project. However, for  
3 illustrative purposes the Company did evaluate the gross economic benefits of bill  
4 savings (using the aggregate residential economic multipliers in the model) due to the  
5 incentive, suggesting a net present value (NPV) impact of about \$550 per kW. About 20  
6 percent of this gross benefit would have to be truly incremental for the BCA ratio to  
7 reach 1.

8 **Q. In the Company's view, does the Low-Income CRDG Incentive provide any**  
9 **important unquantifiable incremental benefits?**

10 A. Yes. In addition to the unquantified economic benefits discussed above, the Low-Income  
11 CRDG Incentive will provide additional important societal benefits to low-income  
12 customers that are difficult to quantify, such as reductions in the hardships associated  
13 with the high energy burden experienced by low-income customers (e.g., reduced need to  
14 move), poverty alleviation, enhanced equity and environmental justice, and reductions in  
15 the cost of social services. In the Company's view, the Low-Income CRDG Incentive  
16 should be considered cost effective when these benefits are considered with the  
17 quantified BCA.

1           **B.     Continuation of the Solar Carport Incentive**

2   **Q.     Please explain how continuing the Solar Carport Incentive advances the Docket**  
3   **4600 principles and goals for the electric system, as required pursuant to PUC**  
4   **Order No. 22851.**

5   A.     The table below provides a summary of how continuing the Solar Carport Incentive  
6   either advances or is neutral to specific goals of Docket No. 4600.

<b>Docket 4600 Goal</b>	<b>Impact</b>
Provide reliable, safe, clean, and affordable energy to Rhode Island customers over the long term (this applies to all energy use, not just regulated fuels).	Advance. The RE Growth Program is a central tool in Rhode Island’s efforts to incentivize distributed renewable energy and help decarbonize the local grid at the lowest reasonable cost to ratepayers, pursuant to Rhode Island laws. Continuing the Solar Carport Incentive can reduce the number of RE Growth projects that might be prone to siting disputes and might reduce disruption of greenfield space that could partially offset emissions reduction benefits from solar.
Strengthen the Rhode Island economy, support economic competitiveness, retain and create jobs by optimizing the benefits of a modern grid and attaining appropriate rate design structures.	Advance. By increasing the diversity in the types of projects that can be competitive under the RE Growth Program, continuing the Solar Carport Incentive is likely to either maintain (or allow for expansion of) employment and economic benefits associated with the distributed renewable energy industry. In addition, Solar Carport projects create new opportunities to extract economic value from already-developed sites.
Address the challenge of climate change and other forms of pollution.	Advance. Because Solar Carport projects can only be sited above parcels that have already been disturbed, approving a continuation of the Solar Carport Incentive will likely improve the GHG-related benefits of the RE Growth program by displacing some amount of

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	development on greenfield parcels (including forested land, prime farmland, etc.) that would otherwise provide value as a net GHG sink.
Prioritize and facilitate increasing customer investment in their facilities (efficiency, distributed generation, storage, responsive demand, and the electrification of vehicles and heating) where that investment provides recognizable net benefits.	Advance. Continuing the Solar Carport Incentive will create new opportunities for participating customers to invest in their facilities and extract new benefits from developed sites – particularly when other existing infrastructure (e.g., unsuitable roof for solar photovoltaics (PV); small parcels that prevent ground – mounted projects) creates barriers to capturing the economic, environmental, and energy benefits of renewable distributed generation. These benefits include, but are not limited to, new revenue from fallow parcels; reduction of carbon footprints when other types of renewables are unsuitable for existing infrastructure; and optimization of clean energy investments, e.g. projects paired with electric vehicle supply equipment (EVSE).
Appropriately compensate distributed energy resources for the value they provide to the electricity system, customers, and society;	Advance. Continuing the Solar Carport Incentive will compensate carport projects for expected system and societal benefits that result from carport projects.
Appropriately charge customers for the cost they impose on the grid.	Neutral. This proposal does not change the way that distributed generation customers are charged for system costs. However, it is expected to encourage projects with lower than average costs to interconnect, leading to customer savings from associated costs.
Appropriately compensate the distribution utility for the services it provides.	Neutral. The 1.75 percent remuneration level to the Company is set by the RE Growth statute.
Align distribution utility, customer, and policy objectives and interests through the	Advance. Continuing the Solar Carport Incentive encourages development of distributed solar projects in sites that are

regulatory framework, including rate design, cost recovery, and incentives.	already disturbed and generally less costly to interconnect, which advances Rhode Island’s solar siting priorities. The Company is proposing a smaller adder value this year in order to reduce the cost of the adder to customers and encourage only the most cost-effective projects.
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1 **Q. Has the Company conducted its own BCA for continuing the Solar Carport**  
 2 **Incentive?**

3 A. Yes. The Company developed a BCA for continuing the Solar Carport Incentive using  
 4 the Docket 4600 Framework. The Company worked closely with SEA to develop input  
 5 assumptions to this analysis. The Company performed an analysis for a central/mid  
 6 benefit scenario and high and low benefits sensitivities. The results from the analyses are  
 7 summarized below. The Company determined the NPV of the costs and benefits of each  
 8 project and benefit scenario on an amount per kW basis. As described in Section VI of  
 9 this testimony, the Company’s analysis suggests that continuing the Solar Carport  
 10 Incentive is cost effective pursuant to the Rhode Island Test for the Medium and  
 11 Commercial Scale categories in the central/mid benefit scenario, and for Large Scale  
 12 projects in the high benefits scenario.

<b>Benefit Scenario</b>	<b>Project Class</b>	<b>NPV Costs (\$/kW)</b>	<b>NPV Benefits (\$/kW)</b>	<b>BCA Ratio</b>
<b>Low</b>	<b>Medium-Scale</b>	<b>\$ 616</b>	<b>\$ 568</b>	<b>0.92</b>
	<b>Commercial-Scale</b>	<b>\$ 616</b>	<b>\$ 513</b>	<b>0.83</b>
	<b>Large-Scale</b>	<b>\$ 616</b>	<b>\$ 392</b>	<b>0.64</b>

<b>Mid</b>	<b>Medium-Scale</b>	<b>\$ 616</b>	<b>\$ 868</b>	<b>1.41</b>
	<b>Commercial-Scale</b>	<b>\$ 616</b>	<b>\$ 745</b>	<b>1.21</b>
	<b>Large-Scale</b>	<b>\$ 616</b>	<b>\$ 465</b>	<b>0.76</b>
<b>High</b>	<b>Medium-Scale</b>	<b>\$ 616</b>	<b>\$ 2,495</b>	<b>4.05</b>
	<b>Commercial-Scale</b>	<b>\$ 616</b>	<b>\$ 1,640</b>	<b>2.66</b>
	<b>Large-Scale</b>	<b>\$ 616</b>	<b>\$ 701</b>	<b>1.14</b>

- 1 **Q. Please describe the Company’s approach to developing a BCA for evaluating the**  
2 **Solar Carport Incentive.**
- 3 A. The Company’s BCA focuses on the costs and benefits that result from continuing the  
4 Solar Carport Incentive, and not from other elements of the RE Growth Program. To  
5 facilitate this analysis, the Company compares a scenario where a carport project enabled  
6 by the adder displaces a same-sized “typical” solar project, which is comprised of the  
7 average site and interconnection cost attributes of recently awarded RE Growth  
8 projects. The Company then evaluates incremental differences in power system impacts,  
9 customer costs and benefits, and societal benefits that would result from selecting a  
10 carport project in place of a “typical” project. The Company performed the analysis for  
11 representative Medium Scale, Commercial Scale, and Large Scale solar projects using  
12 project production estimates from SEA. In addition, the Company evaluates three benefit  
13 scenarios – a mid-benefit scenario, and high- and low-benefit sensitivities, described in  
14 more detail in Schedule NG-7. A primary source of variation between these scenarios is  
15 in the Company’s application of the findings of a recent study in 2020 by Gaur and

1 Lang<sup>5</sup>, which found that proximity to solar installations that are one MW or larger  
2 reduced property values by 1.7 percent in Rhode Island and Massachusetts. The  
3 scenarios also vary in their assumptions around potential interconnection cost savings and  
4 the amount of forest clearing avoided.

5 **Q. What are the implications of the Company’s assumption that the continuation of the**  
6 **Solar Carport Incentive displaces another RE Growth project?**

7 A. The risk of the Company’s assumption that a project eligible for the Solar Carport  
8 Incentive would displace another RE Growth solar project in the same year is that it may  
9 overstate societal benefits related to preservation of greenfield locations. However, in  
10 such circumstances, the Solar Carport Incentive would also provide customers with the  
11 benefit of an additional solar project that would not have come to fruition without the  
12 adder, and the incremental benefits associated with an additional solar project are not  
13 captured in the Company’s analysis.

14 **Q. For which Docket 4600 Framework categories did the Company find evidence of**  
15 **incremental costs?**

16 A. Schedule NG-7 includes a summary of how the Company’s analysis considered all  
17 categories of the Docket 4600 Framework. The primary sources of incremental costs in  
18 the Company’s analysis are the cost of the adder and the 1.75 percent remuneration rate  
19 to the Company. The Company also evaluated the expected reduction in solar project  
20 output – due to carport projects being expected to have a slightly lower capacity factor

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<sup>5</sup> Gaur, Vasundhara, and Corey Lang, Property Value Impacts of Commercial-Scale Solar Energy in Massachusetts and Rhode Island, University of Rhode Island, at [https://works.bepress.com/corey\\_lang/33/](https://works.bepress.com/corey_lang/33/) (September 29, 2020).

1 than a typical greenfield or rooftop projects – and, where applicable, any net power  
2 system and societal cost. For the Large-Scale Solar project category, the Company found  
3 that the incremental energy and societal costs resulting from the lost solar output were not  
4 fully offset by the savings from paying for less output under the RE Growth Program, and  
5 included this net value as an incremental cost.

6 **Q. For which Docket 4600 Framework categories did the Company find evidence of**  
7 **incremental benefits?**

8 A. The Company identified both power system and societal benefits from the adder. Power  
9 system benefits result from a reduction in interconnection costs, and associated O&M and  
10 tax expenditures that would be paid for by customers. Societal benefits result from  
11 avoided carbon sink loss, preservation of non-carbon sink ecosystem services, and  
12 avoided loss of open space, represented by avoided property value loss due to ground  
13 mount solar installations on greenfield sites.

14 **Q. How does the Company’s analysis compare with the analysis performed by SEA?**

15 The Company’s analysis complements SEA’s analysis, which addresses four scenarios  
16 (combinations of high and low benefits and costs). Both the Company and SEA take a  
17 similar, project-level approach to the BCA, use the same sources of input assumptions,  
18 and have similar findings over the scenarios considered. Overall, the Company and SEA  
19 both produced findings that are highly aligned. However, there a few notable differences  
20 between the Company’s analysis and SEA’s:

- 1           • The Company’s analysis includes consideration of the costs and benefits of  
2           continuing the Solar Carport Incentive for Medium-Scale solar projects. The  
3           incentive was not available for Medium-Scale projects for the 2020 Program Year,  
4           but extension to this class is proposed for the 2021 Program Year.
- 5           • The Company’s analysis considers only one cost scenario that emphasizes a low-  
6           cost, high production carport, in recognition that the Company’s proposed revision to  
7           the adder is intended to encourage only the most cost-effective carport projects.
- 8           • The Company’s central/mid scenario limits application of the estimated property  
9           value impacts to the percentage of ground mount projects on greenfield sites that are  
10          not on brownfield or developed commercial/industrial sites or are not located in rural  
11          areas. This adjustment is intended to reflect the finding in Guar and Lang’s analysis  
12          that developments on landfills and industrial areas or in rural areas have smaller and  
13          statistically insignificant effects on prices. In addition, the Company discounts the  
14          property value impacts by 50 percent for Commercial-Scale and Medium-Scale  
15          projects. SEA’s low benefits scenarios applies a 50 percent discount factor for all  
16          project categories.<sup>6</sup> This discount factor is applied to reflect that projects below one  
17          MW were not represented in the analysis. The Company, however, expects that  
18          there likely still will be meaningful property value impacts from Commercial-Scale

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<sup>6</sup> SEA’s low benefits scenarios also reduce by 50 percent the number of residences to which the property value impacts can be applied.

1 and Medium-Scale projects. The Company's high-benefits scenario applies the  
2 findings of the Guar and Lang analysis in a similar manner to SEA's high benefits  
3 scenarios.

- 4 • The Company's analysis quantifies potential O&M and property tax-related savings  
5 from the reduction in infrastructure needs implied by lower interconnection costs for  
6 carports relative to typical projects. These savings provided additional quantifiable  
7 benefits.
- 8 • The Company's analysis considers the impact of a lower production capacity factor  
9 for carport projects relative to non-carport projects. However, the reduced  
10 production does not materially impact the benefit cost results.

11 The Company's analysis includes the costs associated with remuneration related to the  
12 adder as required by the statute.

13 **VI. Performance Metrics and Other Updates**

14 **Q. In the past three years, the Company has reported on certain performance metrics**  
15 **related to metering and billing for customers enrolling in the RE Growth Program.**  
16 **Has the Company included a report of those metrics in the 2021 Program Year**  
17 **filing?**

18 A. No, not at this time. The Company will continue to collect these metrics through the end  
19 of the calendar year and provide them in early 2021 for PUC consideration. This will  
20 provide the PUC with a view of the full year of activities tracked by these metrics, which  
21 are often very active in the last two months of the year.

1 **Q. Has the Company decided whether it plans to invest in billing system upgrades to**  
2 **automate the provision of credits for CRDG projects?**

3 A. No, not at this time. While the PUC directed the Company in Docket No. 5039, Order  
4 No. 23936, at 7-9, to “provide information” on this topic as part of either its 2021 or 2022  
5 RE Growth Program Year filing, the Company has not yet decided whether to invest in  
6 such billing system upgrades. As stated by the Company’s witness in Docket No. 5039,  
7 the Company anticipates discussing whether to make those investments “in the January  
8 2021 to March 2021 timeframe, with a decision being made in April 2021.” Order No.  
9 23936, at 7. Accordingly, the Company expects to submit more information on this topic  
10 to the PUC in its June 2021 RE Growth cost recovery filing.

11 **Q. Does this conclude your testimony?**

12 A. Yes.



Redlined Version

The Narragansett Electric Company  
d/b/a as National Grid  
RI PUC Docket No. XXXX  
Schedule NG-1  
Page 1 of 14



**The Narragansett Electric Company d/b/a National Grid**

**Rhode Island Renewable Energy Growth Program  
Solicitation and Enrollment Process Rules for Small-Scale Solar  
Projects**

| *Effective Date: April 1, 202~~1~~9*

Redlined Version

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### I. Introduction and Overview

National Grid (the Company) would like to welcome you to the Rhode Island Renewable Energy Growth Program (RE Growth Program). The RE Growth Program seeks to make it easy and attractive to install solar photovoltaic (PV) systems at the homes and businesses of National Grid's customers. An applicant (Applicant) to the RE Growth Program may be a solar developer or a National Grid customer.

Residential customers or their developers may apply for the RE Growth Program on a first-come, first-served basis. These solar systems will earn "Bill Credits" for the customer from the energy produced and used, and the remainder of the Standard Performance Based Incentive (PBI) payment for the renewable energy certificates from the enrolled system and any excess production. This program year's Standard PBIs are listed in Schedule 2 in this document.

Non-residential customers or their developers may also apply to the RE Growth Program on a first-come, first-served basis. These solar systems will have the option to receive the entire incentive payment directly or a combination of a direct payment and a Bill Credit for the customer, as specified in the Non-Residential Tariff.

This document provides information on the Solicitation and Enrollment Rules necessary to participate and enroll in the RE Growth Program.

#### 1.1 Purpose of the Solicitation and Enrollment

The RE Growth Program was developed pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws to facilitate the development of and compensation paid to distributed generation (DG) projects in Rhode Island. These Solicitation and Enrollment Process Rules for Small-Scale Solar Projects (Rules) provide the means by which a project can qualify for and enroll in the RE Growth Program. The Rules are only part of the RE Growth Program documents and should be read along with the Company's RE Growth Program Tariff for Residential Customers and the RE Growth Program Tariff for Non-Residential Customers (together, the Tariffs). Any term not defined in the Rules is defined in the Tariffs.

A Small-Scale Solar Project is a solar project with a nameplate generating capacity up to and including twenty-five kilowatts (25 kW). A Small-Scale Solar DG Project's nameplate capacity is the total rated power output of all solar panels measured in direct current (DC).

Under the RE Growth Program, National Grid will not execute contracts with Applicants.

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National Grid is operating the RE Growth Program, as guided by the Distributed Generation Board (Board) in consultation with the Rhode Island Office of Energy Resources (OER). The RE Growth Program is subject to the approval of the Rhode Island Public Utilities Commission

(Commission). National Grid may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts (MW) to be enrolled for the year (annual MW target), which will be based on the projects' aggregate nameplate capacity. The nameplate capacity of a solar project is the total rated power output of all solar panels measured in DC. A "program year" means a year beginning April 1 and ending March 31.

A total of at least 3 MW of capacity shall be carved out exclusively for Small-Scale Solar Projects in each of the first four (4) program years. The Board may recommend and/or the Commission may adopt a new annual MW class target for Small-Scale Solar Projects. Please see Schedule 1 for the currently approved annual MW target for Small-Scale Solar Projects.

For each program year, the Board will recommend the Standard Performance-Based Incentive (PBI) for each renewable energy class, subject to Commission approval. Small-scale solar projects will receive a Standard PBI under the tariff, further described in Section 2.1. See Schedule 2 for the approved Standard PBIs for the current program year.

### **1.2.1 Applications**

During each program year, Applicants can enroll at any time until the annual MW target for the Small-Scale Solar Project class has been met, including the possible availability of additional capacity under the annual MW target. Applicants may elect to participate in the RE Growth Program within their application for interconnection, pursuant to the Company's Standards for Connecting Distributed Generation tariff. There is no separate enrollment application for Small-Scale Solar Projects.

To be eligible to receive approval for the current program year's tariff rates and capacity allocations, Small-Scale Solar Applicants must submit and the Company must receive all required forms and documentation, as listed on the RE Growth application checklist, and all must be filled out and signed with no deficiencies of information, by 4 p.m. Eastern Prevailing Time on March 31, 2019. Any application which is found to be missing required forms or information that is supplied after that time and date will be considered for participation in the following program year at that year's tariff rates and class allocations.

Applicants will be selected for the RE Growth Program in accordance with the provisions below.

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### 1.2.2 Eligibility Requirements

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To be eligible, a Small-Scale Solar Project must meet certain requirements, and National Grid will review the interconnection application to determine whether the project meets these requirements. Projects that do not meet eligibility requirements will be disqualified from the RE Growth Program.

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An Applicant must be in good standing with regard to obligations to National Grid. Such obligations include but are not limited to being current with amounts due on the electric service account(s) or fulfilling the requirements of an approved payment plan.

Self-installers, and new installers who have not installed an RE Growth Small-Scale project prior to the 2019 Program Year will be required to complete mandatory training through a webinar prior to submitting an interconnection application. The training, offered by the Rhode Island Office of Energy Resources, will be a recorded webinar that discusses the Minimum Technical Requirements and the unique interconnection requirements of the RE Growth Program. A Certificate of Completion, indicating that the installer has completed the training, must be submitted with the interconnection application.

New in 2020, a completed and signed Consumer Disclosure Form is required with all residential applications at the time of submission. There are separate forms for Customer-Owned systems, Third-Party Owned systems, and Self-Installed systems. These forms may be found on the RE Growth Program website at: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

#### 1.2.2.3 Eligible Facilities

To be eligible as a Small-Scale Solar Project, a project must: (1) be a Small-Scale Solar renewable energy resource; (2) have a nameplate capacity equal to or less than 25 kW; and (3) interconnect with the Company's electric power system. A Small-Scale Solar Project's nameplate capacity is the total rated power output of all solar panels measured in DC.

Before applying to the RE Growth Program, a project must not be: (1) already operating; or (2) under construction, except for preparatory site work that is less than twenty-five percent (25%) of the estimated total project cost.

#### Residential

To be eligible as a Residential Small-Scale Solar Project, a project must be located at a National Grid customer's residence where the residential customer receives electric service under either

Basic Residential Rate A-16 or Low Income Rate A-60. The project must meet the sizing requirements as defined in the Residential RE Growth Tariff.

### Non-Residential

Any Small-Scale Solar Project that is not eligible to enroll as a Residential Small-Scale Solar Project will be enrolled as a Non-Residential Small-Scale Solar Project. Note that these projects may also be configured to receive Bill Credits under this program if they are sized as defined in Section 8.c. of the Non-Residential RE Growth Tariff, but are not required to do so. These projects will receive electric service pursuant to the appropriate general service retail delivery service tariff.

#### 1.2.2.3.1 Prohibition on Project Segmentation

Project segmentation occurs when one distributed generation project is divided or segregated into multiple projects on a single parcel or on contiguous parcels in order to qualify under smaller size project classifications. The Company may also require additional property information to verify that the project is eligible for participation in the program.

Under the RE Growth Program, project segmentation is not allowed. However, a project developer may designate an additional distributed generation unit or portion of a unit on the same parcel or on a contiguous parcel for net metering or for other means of participating in electricity markets, as long as any such unit or portion of such unit: (1) is not receiving Performance-Based Incentives through the RE Growth Program; (2) is segregated electrically; and (3) is separately metered.

A distributed generation project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the distributed generation project and the start of construction of new distributed generation unit(s) on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resources. In addition, DG projects installed on contiguous parcels or a single parcel will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2 as described in Section 8.c. of the Non-Residential RE Growth Tariff. In addition, if the separate projects on a single parcel in aggregate would not qualify the facilities as a larger class, then they will not be considered segmented, and would be allowed. For example, if a developer proposes a 12 kW and a 12 kW on the same parcel (totaling 24 kW together), this would be the same class and ceiling price as the projects are subject to individually.

#### 1.2.2.3.2 Compliance with Sizing Limitations to Receive Bill Credits

In accordance with the Tariffs, Non-Residential Applicants for Small-Scale Solar Projects that have on-site load may receive a credit on their electric bill based upon the value of the on-site use, provided that the DG Project meets the sizing requirements as defined in the Non-Residential RE Growth Tariff. All Residential customers will receive Bill Credits and must meet the sizing limitations defined in the Residential RE Growth Tariff. The Project must be

reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Residential Customer's On-Site Use as measured over the previous three (3) years at the electric service account located at the Residential Customer's service location; 2) the annualized On-Site Use over the period of service to the Residential Customer's service location if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the Project is located at a new service location.

## II. Interconnection Application, Selection, and Enrollment Process

### 2.1 Performance-Based Incentive (PBI) Payments for Small-Scale Solar Projects

Applicants may elect to enroll in the RE Growth Program within their interconnection applications.

#### Residential

The PBI is a price per kilowatt-hour for all of the Renewable Energy Certificates (RECs) and any other environmental attributes or market products that are created or produced by the facility for as long as the facility is enrolled in the RE Growth Program, less the value of Bill Credits for the energy and capacity value that is deemed to be used on site by the customer and must be deducted from the value listed in the Supplements.

#### Non-Residential

The PBI is a price per kilowatt-hour that will be paid for all of the energy, capacity, RECs, and other environmental attributes and market products that are created or produced by the facility for as long as the facility is enrolled in the RE Growth Program.

### 2.2 Interconnection Application Prior to Enrollment

To apply, a prospective participant must submit an application for interconnection and elect to participate in the RE Growth Program. All interconnection costs must be paid by the Applicant of the distributed generation (DG) project.

For information regarding the interconnection process and the standards for the interconnection of generators in Rhode Island, please see:

[ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

#### **2.2.1 Site Control**

The Applicant must show actual control of the site where the Small-Scale Solar Project is to be located, or show it has exercised its right to acquire control of the site. To meet this requirement, the Applicant must represent that it owns or leases (or has an executed, exclusive, unconditional option to own or lease) the site (or residence in the case of a Residential Small-

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Scale Solar Project) on which the project will be located, and that it has any additional rights required to develop and operate the project at the site.

### 2.2.2 Total Project Cost

Applications must include the estimated total project development costs. Applications that do not include the estimated total project development costs will be rejected. Total project development cost is defined as: “The total cost of the solar equipment, design, development, construction, interconnection, permitting, financing (if known), and labor necessary to install the solar PV project. This figure should not account for any tax incentives, grants, or other cash incentives. Additional costs, indirectly related to the solar project, such as roofing work, should not be included.”

### 2.2.3 Energy Storage Systems

Energy Storage Systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter. Please see the available “ESS Guidance Diagrams” available on the RE Growth webpage at: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

## 2.3 Issuance of Certificates of Eligibility

National Grid shall award Certificates of Eligibility to the selected Small-Scale Solar Projects. National Grid is not required to obtain Commission confirmation or approval in awarding Certificates of Eligibility to Small-Scale Solar Projects. Certificates of Eligibility given to Small-Scale Solar Projects are subject to the review and consent of the OER. National Grid files a list of all awarded certificates with the Commission. Certificates of Eligibility will be awarded to eligible Small-Scale Solar Projects on a “first come, first served” basis until the annual MW target for the Small-Scale Solar class is fully subscribed.

The Certificate of Eligibility will contain applicable project information, including renewable technology and class, project capacity and energy output, term length, price, certificate issuance, and certificate effective dates.

## 2.4 Project Schedule

All Small-Scale Solar Projects have twenty-four (24) months to meet all other requirements pursuant to Section 6.a. of the Tariff in order to receive compensation under the RE Growth Program. A project’s proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

If a project does not become operational on or before the twenty-four (24) month deadline, the project's Certificate of Eligibility will be voided.

## 2.5 Ownership of Products for Small-Scale Solar

### Residential

The Company shall have the rights to and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the project during the applicable term of the supplements to the Tariff supplement; and
- (2) Rights to any other environmental attributes or electricity market services or products that are created or produced by the project.

For Residential Small-Scale Solar Projects, the customer shall retain title to all energy and capacity produced by the project. All energy and capacity are deemed to have been used by the customer on-site during the term of the applicable supplements to the Tariff. The Company is not buying or taking title to energy or capacity under the RE Growth Program.

### Non-Residential

The Company shall have the rights and receive title to:

- (1) RECs generated by the project during the applicable term of the supplements to the Tariff supplement;
- (2) All energy produced by the project; and
- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

#### **2.5.1 Delivery of RECs and Registration in NEPOOL GIS**

The Applicant must take all steps to both enable the Company to obtain the appropriate asset identification for the creation of RECs and the assignment of RECs to the Company through the New England Power Pool Generator Information System (NEPOOL GIS) in accordance with the Tariffs. RECs must be delivered to National Grid in the NEPOOL GIS.

### **2.5.2 Delivery of Energy into ISO-NE Market (Non-Residential Projects Only)**

Energy must be delivered to National Grid in the ISO-NE Rhode Island load zone.

### **2.5.3 Participation in ISO-NE Forward Capacity Market (FCM)**

Upon National Grid's election to acquire the capacity from a Project, National Grid will assume the rights to the capacity, pursuant to the Tariff. National Grid reserves the right to be the "Project Sponsor" for the Project, after consultation with the Division and the Board. If and when National Grid participates as Project Sponsor on behalf of any Project, the Applicant must support National Grid, as required, to qualify the Project as an Existing Capacity Resource in the FCM. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

### **2.5.4 Qualification of RECs**

Small-Scale Solar Projects must qualify as an eligible renewable energy resource pursuant to the Rhode Island Renewable Energy Standard (RES) and the Massachusetts Renewable Portfolio Standard (RPS). The Company will obtain such approvals on behalf of all Small-Scale Solar Projects. Applicants must cooperate with the Company, including but not limited to completing the Renewable Energy Certificate Assignment and Aggregation Certification Form, to obtain approval in order to be qualified under the RES and RPS.

## **2.6 Shared Solar**

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and 26-250 kW DC nameplate capacity, respectively).

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

The system size for Bill Credit Recipients will be determined by the sum of the three (3)-year average on-site use over the previous three (3) years of all of the indicated Bill Credit Recipients' accounts at the time of the application. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. The customer may request that the Company reset its three (3)-year annual average use once three (3) years of billing history are available.

Shared Solar Projects will receive the same ceiling price and enroll from the same classes of other projects of the same size and ownership as established by the Board for a given program year.

### 2.6.1 Shared Solar Additional Application Material and Provisions

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

Shared Solar Applicants will receive PBI payments as a combination of cash payments and Bill Credits (Option 2). The DG Project and Bill Credit Recipients must be in the same customer class (i.e., Residential or Nonresidential). All customer accounts receiving Bill Credits must be in the same customer class (i.e., Residential or Nonresidential) although they may be on different retail delivery service rate classes. The Bill Credit value from the Shared Solar Project shall be determined by the recipients' rate class and not that of the facility owner. The Bill Credit value shall be the distribution, transition, transmission, and ~~standard offer~~ Last Resort Service supply rates of the Bill Credit Recipients. Any value of Bill Credits not transferred from the Shared Solar project shall be included in the total Performance Based Incentive. PBI payments and Bill Credits will be calculated as set forth in Section 8.c. of the Tariff.

## III. Contact Information and Other Provisions

### 3.1 Contact Information

All questions and communications regarding these Rules should be directed via electronic mail to National Grid Environmental Transactions at the following address:  
[RenewableContracts@nationalgrid.com](mailto:RenewableContracts@nationalgrid.com)

### 3.2 Official Website for the Enrollment

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island RE Growth Program website: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

Information about the interconnection process and all submission of Interconnection Applications must be submitted through this site as well.

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### 3.3 Rhode Island State Licensing Requirement

Pursuant to R.I. Gen. Laws § 5-65-1, a registered contractor or firm with a contractor's registration shall perform the work associated with the installation of solar energy systems or equipment (i.e. racking systems, inground mounting or anchoring).

Renewable energy firms or their subcontractor or agent conducting installation work must hold a Rhode Island General Contractors License and provide their license registration number on the approved Solar Permit or building permit for the project as a condition of final approval to enroll.

### 3.4 Confidentiality

The Board, the OER, and National Grid shall enter into an agreement regarding the sharing of information and data related to the RE Growth Program, including application information, details regarding project ownership, and pricing. At the request of the Board, the OER, National Grid, or the Division, the Commission shall have the authority to protect from public disclosure individual information for any projects that have not been awarded a Certificate of Eligibility. Information regarding project size, location, owner, and price will be made public for projects awarded a Certificate of Eligibility.

### 3.5 Facility Inspection by Independent Quality Inspector

All facilities shall be subject to inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection in reasonable time and with full access to the facility will be considered a potential cause for termination or suspension of PBI payments until cured.

### 3.6 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility (Section 2.3 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel an enrollment; alter, extend, or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

**Redlined Version**

**Schedule 1**

**Approved Small-Scale Solar Annual MW Target**

Renewable Energy Class	Annual Enrollment Target (Nameplate MW)
Small-Scale Solar I – (15 Year Tariff)	6.95 MW DC
Small-Scale Solar II -- (20 Year Tariff)	

Note: Schedule 1 will be updated as required for each enrollment year.

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Schedule 2

Approved Small-Scale Solar Standard PBI Applicable to Current Program Year

Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Small-Scale Solar I – (1- <del>15</del> 0 kW)	<del>29.65</del> <u>29.95</u>	15 Year Tariff
Small-Scale Solar II (1 <del>6</del> 4-25 kW)	<del>23.45</del> <u>25.85</u>	20 Year Tariff

Note: The Standard PBI is equivalent to the Ceiling Price that is recommended by the Board and approved by the Commission.

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The Narragansett Electric Company  
d/b/a as National Grid  
RI PUC Docket No. XXXX  
Schedule NG-1  
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**The Narragansett Electric Company d/b/a National Grid**

**Rhode Island Renewable Energy Growth Program  
Solicitation and Enrollment Process Rules for Small-Scale Solar  
Projects**

*Effective Date: April 1, 2021*

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To be eligible to receive approval for the current program year's tariff rates and capacity allocations, Small-Scale Solar Applicants must submit and the Company must receive all required forms and documentation, as listed on the RE Growth application checklist, and all must be filled out and signed with no deficiencies of information, by 4 p.m. Eastern Prevailing Time on March 31, 2019. Any application which is found to be missing required forms or information that is supplied after that time and date will be considered for participation in the following program year at that year's tariff rates and class allocations.

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#### 1.2.2.2 Eligible Applicant

An Applicant must be in good standing with regard to obligations to National Grid. Such obligations include but are not limited to being current with amounts due on the electric service account(s) or fulfilling the requirements of an approved payment plan.

Self-installers, and new installers who have not installed an RE Growth Small-Scale project prior to the 2019 Program Year will be required to complete mandatory training through a webinar prior to submitting an interconnection application. The training, offered by the Rhode Island Office of Energy Resources, will be a recorded webinar that discusses the Minimum Technical Requirements and the unique interconnection requirements of the RE Growth Program. A Certificate of Completion, indicating that the installer has completed the training, must be submitted with the interconnection application.

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#### 1.2.2.3 Eligible Facilities

To be eligible as a Small-Scale Solar Project, a project must: (1) be a Small-Scale Solar renewable energy resource; (2) have a nameplate capacity equal to or less than 25 kW; and (3) interconnect with the Company's electric power system. A Small-Scale Solar Project's nameplate capacity is the total rated power output of all solar panels measured in DC.

Before applying to the RE Growth Program, a project must not be: (1) already operating; or (2) under construction, except for preparatory site work that is less than twenty-five percent (25%) of the estimated total project cost.

#### Residential

To be eligible as a Residential Small-Scale Solar Project, a project must be located at a National Grid customer's residence where the residential customer receives electric service under either

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Basic Residential Rate A-16 or Low Income Rate A-60. The project must meet the sizing requirements as defined in the Residential RE Growth Tariff.

### Non-Residential

Any Small-Scale Solar Project that is not eligible to enroll as a Residential Small-Scale Solar Project will be enrolled as a Non-Residential Small-Scale Solar Project. Note that these projects may also be configured to receive Bill Credits under this program if they are sized as defined in Section 8.c. of the Non-Residential RE Growth Tariff, but are not required to do so. These projects will receive electric service pursuant to the appropriate general service retail delivery service tariff.

#### 1.2.2.3.1 Prohibition on Project Segmentation

Project segmentation occurs when one distributed generation project is divided or segregated into multiple projects on a single parcel or on contiguous parcels in order to qualify under smaller size project classifications. The Company may also require additional property information to verify that the project is eligible for participation in the program.

Under the RE Growth Program, project segmentation is not allowed. However, a project developer may designate an additional distributed generation unit or portion of a unit on the same parcel or on a contiguous parcel for net metering or for other means of participating in electricity markets, as long as any such unit or portion of such unit: (1) is not receiving Performance-Based Incentives through the RE Growth Program; (2) is segregated electrically; and (3) is separately metered.

A distributed generation project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the distributed generation project and the start of construction of new distributed generation unit(s) on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resources. In addition, DG projects installed on contiguous parcels or a single parcel will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2 as described in Section 8.c. of the Non-Residential RE Growth Tariff. In addition, if the separate projects on a single parcel in aggregate would not qualify the facilities as a larger class, then they will not be considered segmented, and would be allowed. For example, if a developer proposes a 12 kW and a 12 kW on the same parcel (totaling 24 kW together), this would be the same class and ceiling price as the projects are subject to individually.

#### 1.2.2.3.2 Compliance with Sizing Limitations to Receive Bill Credits

In accordance with the Tariffs, Non-Residential Applicants for Small-Scale Solar Projects that have on-site load may receive a credit on their electric bill based upon the value of the on-site use, provided that the DG Project meets the sizing requirements as defined in the Non-Residential RE Growth Tariff. All Residential customers will receive Bill Credits and must meet the sizing limitations defined in the Residential RE Growth Tariff. The Project must be

reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Residential Customer's On-Site Use as measured over the previous three (3) years at the electric service account located at the Residential Customer's service location; 2) the annualized On-Site Use over the period of service to the Residential Customer's service location if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the Project is located at a new service location.

## II. Interconnection Application, Selection, and Enrollment Process

### 2.1 Performance-Based Incentive (PBI) Payments for Small-Scale Solar Projects

Applicants may elect to enroll in the RE Growth Program within their interconnection applications.

#### Residential

The PBI is a price per kilowatt-hour for all of the Renewable Energy Certificates (RECs) and any other environmental attributes or market products that are created or produced by the facility for as long as the facility is enrolled in the RE Growth Program, less the value of Bill Credits for the energy and capacity value that is deemed to be used on site by the customer and must be deducted from the value listed in the Supplements.

#### Non-Residential

The PBI is a price per kilowatt-hour that will be paid for all of the energy, capacity, RECs, and other environmental attributes and market products that are created or produced by the facility for as long as the facility is enrolled in the RE Growth Program.

### 2.2 Interconnection Application Prior to Enrollment

To apply, a prospective participant must submit an application for interconnection and elect to participate in the RE Growth Program. All interconnection costs must be paid by the Applicant of the distributed generation (DG) project.

For information regarding the interconnection process and the standards for the interconnection of generators in Rhode Island, please see:

[ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

#### **2.2.1 Site Control**

The Applicant must show actual control of the site where the Small-Scale Solar Project is to be located, or show it has exercised its right to acquire control of the site. To meet this requirement, the Applicant must represent that it owns or leases (or has an executed, exclusive, unconditional option to own or lease) the site (or residence in the case of a Residential Small-

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Scale Solar Project) on which the project will be located, and that it has any additional rights required to develop and operate the project at the site.

### 2.2.2 Total Project Cost

Applications must include the estimated total project development costs. Applications that do not include the estimated total project development costs will be rejected. Total project development cost is defined as: “The total cost of the solar equipment, design, development, construction, interconnection, permitting, financing (if known), and labor necessary to install the solar PV project. This figure should not account for any tax incentives, grants, or other cash incentives. Additional costs, indirectly related to the solar project, such as roofing work, should not be included.”

### 2.2.3 Energy Storage Systems

Energy Storage Systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter. Please see the available “ESS Guidance Diagrams” available on the RE Growth webpage at: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

## 2.3 Issuance of Certificates of Eligibility

National Grid shall award Certificates of Eligibility to the selected Small-Scale Solar Projects. National Grid is not required to obtain Commission confirmation or approval in awarding Certificates of Eligibility to Small-Scale Solar Projects. Certificates of Eligibility given to Small-Scale Solar Projects are subject to the review and consent of the OER. National Grid files a list of all awarded certificates with the Commission. Certificates of Eligibility will be awarded to eligible Small-Scale Solar Projects on a “first come, first served” basis until the annual MW target for the Small-Scale Solar class is fully subscribed.

The Certificate of Eligibility will contain applicable project information, including renewable technology and class, project capacity and energy output, term length, price, certificate issuance, and certificate effective dates.

## 2.4 Project Schedule

All Small-Scale Solar Projects have twenty-four (24) months to meet all other requirements pursuant to Section 6.a. of the Tariff in order to receive compensation under the RE Growth Program. A project’s proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

If a project does not become operational on or before the twenty-four (24) month deadline, the project's Certificate of Eligibility will be voided.

## 2.5 Ownership of Products for Small-Scale Solar

### Residential

The Company shall have the rights to and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the project during the applicable term of the supplements to the Tariff supplement; and
- (2) Rights to any other environmental attributes or electricity market services or products that are created or produced by the project.

For Residential Small-Scale Solar Projects, the customer shall retain title to all energy and capacity produced by the project. All energy and capacity are deemed to have been used by the customer on-site during the term of the applicable supplements to the Tariff. The Company is not buying or taking title to energy or capacity under the RE Growth Program.

### Non-Residential

The Company shall have the rights and receive title to:

- (1) RECs generated by the project during the applicable term of the supplements to the Tariff supplement;
- (2) All energy produced by the project; and
- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

#### **2.5.1 Delivery of RECs and Registration in NEPOOL GIS**

The Applicant must take all steps to both enable the Company to obtain the appropriate asset identification for the creation of RECs and the assignment of RECs to the Company through the New England Power Pool Generator Information System (NEPOOL GIS) in accordance with the Tariffs. RECs must be delivered to National Grid in the NEPOOL GIS.

**2.5.2 Delivery of Energy into ISO-NE Market (Non-Residential Projects Only)**

Energy must be delivered to National Grid in the ISO-NE Rhode Island load zone.

**2.5.3 Participation in ISO-NE Forward Capacity Market (FCM)**

Upon National Grid's election to acquire the capacity from a Project, National Grid will assume the rights to the capacity, pursuant to the Tariff. National Grid reserves the right to be the "Project Sponsor" for the Project, after consultation with the Division and the Board. If and when National Grid participates as Project Sponsor on behalf of any Project, the Applicant must support National Grid, as required, to qualify the Project as an Existing Capacity Resource in the FCM. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

**2.5.4 Qualification of RECs**

Small-Scale Solar Projects must qualify as an eligible renewable energy resource pursuant to the Rhode Island Renewable Energy Standard (RES) and the Massachusetts Renewable Portfolio Standard (RPS). The Company will obtain such approvals on behalf of all Small-Scale Solar Projects. Applicants must cooperate with the Company, including but not limited to completing the Renewable Energy Certificate Assignment and Aggregation Certification Form, to obtain approval in order to be qualified under the RES and RPS.

**2.6 Shared Solar**

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and 26-250 kW DC nameplate capacity, respectively).

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

The system size for Bill Credit Recipients will be determined by the sum of the three (3)-year average on-site use over the previous three (3) years of all of the indicated Bill Credit Recipients' accounts at the time of the application. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. The customer may request that the Company reset its three (3)-year annual average use once three (3) years of billing history are available.

Shared Solar Projects will receive the same ceiling price and enroll from the same classes of other projects of the same size and ownership as established by the Board for a given program year.

### **2.6.1 Shared Solar Additional Application Material and Provisions**

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

Shared Solar Applicants will receive PBI payments as a combination of cash payments and Bill Credits (Option 2). The DG Project and Bill Credit Recipients must be in the same customer class (i.e., Residential or Nonresidential). All customer accounts receiving Bill Credits must be in the same customer class (i.e., Residential or Nonresidential) although they may be on different retail delivery service rate classes. The Bill Credit value from the Shared Solar Project shall be determined by the recipients' rate class and not that of the facility owner. The Bill Credit value shall be the distribution, transition, transmission, and Last Resort Service supply rates of the Bill Credit Recipients. Any value of Bill Credits not transferred from the Shared Solar project shall be included in the total Performance Based Incentive. PBI payments and Bill Credits will be calculated as set forth in Section 8.c. of the Tariff.

## **III. Contact Information and Other Provisions**

### **3.1 Contact Information**

All questions and communications regarding these Rules should be directed via electronic mail to National Grid Environmental Transactions at the following address:

[RenewableContracts@nationalgrid.com](mailto:RenewableContracts@nationalgrid.com)

### **3.2 Official Website for the Enrollment**

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island RE Growth Program website: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

Information about the interconnection process and all submission of Interconnection Applications must be submitted through this site as well.

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### 3.3 Rhode Island State Licensing Requirement

Pursuant to R.I. Gen. Laws § 5-65-1, a registered contractor or firm with a contractor's registration shall perform the work associated with the installation of solar energy systems or equipment (i.e. racking systems, inground mounting or anchoring).

Renewable energy firms or their subcontractor or agent conducting installation work must hold a Rhode Island General Contractors License and provide their license registration number on the approved Solar Permit or building permit for the project as a condition of final approval to enroll.

### 3.4 Confidentiality

The Board, the OER, and National Grid shall enter into an agreement regarding the sharing of information and data related to the RE Growth Program, including application information, details regarding project ownership, and pricing. At the request of the Board, the OER, National Grid, or the Division, the Commission shall have the authority to protect from public disclosure individual information for any projects that have not been awarded a Certificate of Eligibility. Information regarding project size, location, owner, and price will be made public for projects awarded a Certificate of Eligibility.

### 3.5 Facility Inspection by Independent Quality Inspector

All facilities shall be subject to inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection in reasonable time and with full access to the facility will be considered a potential cause for termination or suspension of PBI payments until cured.

### 3.6 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility (Section 2.3 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel an enrollment; alter, extend, or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

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## Schedule 1

### Approved Small-Scale Solar Annual MW Target

Renewable Energy Class	Annual Enrollment Target (Nameplate MW)
Small-Scale Solar I – (15 Year Tariff)	6.95 MW DC
Small-Scale Solar II -- (20 Year Tariff)	

Note: Schedule 1 will be updated as required for each enrollment year.

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### Schedule 2

#### Approved Small-Scale Solar Standard PBI Applicable to Current Program Year

Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Small-Scale Solar I – (1-10 kW)	29.95	15 Year Tariff
Small-Scale Solar II (11-25 kW)	25.85	20 Year Tariff

Note: The Standard PBI is equivalent to the Ceiling Price that is recommended by the Board and approved by the Commission.



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The Narragansett Electric Company  
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**The Narragansett Electric Company d/b/a National Grid**

**Rhode Island Renewable Energy Growth Program  
Solicitation and Enrollment Process Rules for Solar (Greater  
than 25 kW), Wind, Hydro and Anaerobic Digester Projects**

| ***Effective Date: April 1, 202~~1~~0***

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## I. Introduction and Overview

### 1.1 Purpose of the Solicitation and Enrollment

National Grid (the Company) developed the Renewable Energy Growth Program (RE Growth Program) pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws to facilitate the development and compensation of distributed generation projects in Rhode Island. These Solicitation and Enrollment Process Rules for Non-Residential Projects (Rules) provide the means by which an applicant (Applicant) can qualify and enroll a project (Project) in the RE Growth Program. The Rules are only part of the RE Growth Program documents and should be read along with the Non-Residential RE Growth Program Tariff (Tariff). As described below, a Project enrolled in the RE Growth Program must supply National Grid with energy, capacity, Renewable Energy Certificates (RECs), and other environmental attributes and market products. Any term not defined in the Rules is defined in the Tariff.

These Rules will apply to all Projects that are not Small-Scale Solar Projects, subject to the eligibility provisions below. A Small-Scale Solar Project is a solar project having a nameplate capacity of up to and including twenty-five kilowatts (25 kW), and is subject to the rules for Small-Scale Solar Projects.

These Rules, along with the Tariff, will govern the eligibility and procedures for Projects in the RE Growth Program. National Grid will not execute contracts with Applicants.

### 1.2 Enrollment Framework

National Grid is operating the RE Growth Program, as guided by the Distributed Generation Board (Board) in consultation with the Rhode Island Office of Energy Resources (OER). The Program is subject to the approval of the Rhode Island Public Utilities Commission (Commission). National Grid may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts to be enrolled for the year (annual MW target), and a target amount of megawatts for each enrollment event (enrollment MW target), both of which will be based on nameplate capacity. The nameplate capacity of a Project is its maximum rated output or gross output of a generator; for solar technology, it is the total rated power output of all the panels measured in direct current (DC). The enrollment MW target will be a specific portion of the annual MW target.

For each program year, the Board will recommend the enrollment MW target and a target amount of megawatts for each class of renewable resource (class MW target), which will be a specific portion of the enrollment MW target. Both of these recommendations from the Board are subject to Commission approval. If there is an over-subscription in one class and an under-subscription in an enrollment MW target, then National Grid, the OER, and the Board may

mutually agree to allocate megawatts from one class to another without Commission approval as long as the re-allocated targets would not exceed the annual MW Target.

Annual MW targets are 40 MW per year from 2020 to 2029, with at least three megawatts (3 MW) of capacity to be carved out exclusively for small-scale solar projects in each of the first four (4) program years. The Board may recommend and/or the Commission may adopt a new annual MW target for small-scale projects. Any cancelled or unused capacity from prior years may be added by the Board to the next program year.

A "program year" means a year beginning April 1 and ending March 31.. Except for the first program year (2015), National Grid is required, in consultation with the Board and the OER, to conduct at least three (3) tariff enrollments for each distributed generation class each program year. The classes and targets for each program year are listed in Schedule 1, which will be updated periodically, and Schedule 2 of this application.

For each program year, the Board will recommend the Ceiling Prices and Standard Performance-Based Incentives (PBI), as applicable, for each renewable energy class, subject to Commission approval. For all projects subject to these Solicitation and Enrollment Process Rules, the Ceiling Price is the bidding price cap, further described in Section 2.1.5. See Schedule 2 for the approved Ceiling Prices for the current program year.

### **1.1.1 Applications**

Each enrollment will be open for a two (2) week period. During the enrollment period, National Grid will accept standard short-form applications. The standard application shall require the Applicant to provide the following information about the project: (1) the project ownership; (2) the location of the proposed project; (3) the nameplate capacity; and (4) the renewable energy class. The application allows Applicants to provide additional information relative to the permitting, financial feasibility, ability to build, and timing for achieving commercial operation of the proposed projects. The Applicant must certify in the application that the project will not violate the prohibition on project segmentation, as set forth in the Tariff.

Applicants will be selected for the RE Growth Program in accordance with the rules below.

### **1.1.2 Eligibility Requirements**

#### **1.1.2.1 Introduction**

To be eligible, a Project must meet certain requirements, and National Grid will review all applications to determine whether they meet these requirements. Projects that do not meet eligibility requirements will be disqualified from the RE Growth Program.

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### 1.1.2.2 Eligible Applicant

An Applicant must be in good standing on its obligations to National Grid. Such obligations include but are not limited to meeting obligations under an Interconnection Service Agreement and being current with amounts due on the electric service account(s) or fulfilling the requirements of an approved payment plan.

### 1.1.2.3 Eligible Facilities

To be eligible for an enrollment, a Project must: (1) be an eligible renewable energy resource under the RE Growth Program, as determined by the Board and approved by the Commission; (2) have a nameplate capacity equal to or less than five megawatts (5 MW); (3) interconnect with the distribution system of The Narragansett Electric Company; and (4) be located in The Narragansett Electric Company ISO-NE load zone.

Nameplate capacity is the maximum rated output or gross output of a generator; for solar technology it is the total rated power output of all panels measured in direct current (DC).

To apply, a distributed generation project must not be: (1) already operating; (2) under construction, except for preparatory site work that is less than twenty-five percent (25%) of the estimated total project cost; or (3) fully financed for construction, except to the extent that financing agreements are conditioned upon the selection of the project in this program. A pre-existing hydroelectric generating facility that is already operating may be eligible for the RE Growth Program if it can demonstrate with reasonable evidence its need for a material investment to restore or maintain reliable and efficient operation and meet all regulatory, environmental or operational requirements, in addition to meeting the other criteria of the RE Growth Program.

#### 1.1.2.3.1 Renewable Energy Classes

For each program year, the Board shall determine the renewable energy classes, which are defined by specific technology, nameplate size, and other requirements as may be applicable as determined by the Board, subject to Commission approval. The Board may make recommendations to the Commission to add, eliminate, or adjust renewable energy classes for each program year. See Schedule 2 for the approved renewable energy classes for the applicable program year. To be eligible for an enrollment, a distributed generation project must qualify within one of the approved renewable energy classes for the applicable program year as indicated in Schedule 2.

#### 1.1.2.3.2 Prohibition on Project Segmentation

Project segmentation occurs when one distributed generation project is split into multiple projects on a single parcel or on contiguous parcels in order to qualify under smaller size project classifications. All Applicants are required to include assessor's maps with their applications so that the Company can review project eligibility in light of the prohibition on project

segmentation. The Company may also require additional property information to verify that the project is eligible for participation in the program.

Under the RE Growth Program, project segmentation is not allowed. However, a Project developer may designate an additional distributed generation unit or portion of a unit on the same parcel or on a contiguous parcel for net metering or for other means of participating in electricity markets, as long as any such unit or portion of such unit: (1) is not receiving Performance-Based Incentives through the RE Growth Program; (2) is segregated electrically; and (3) is separately metered.

A Project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the Project and the start of construction of new distributed generation unit(s) of the same resource technology on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resource technologies (e.g., a wind turbine and a solar array could both be eligible within the 24 month window). DG projects installed on contiguous parcels will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2, as described in Section 8.c. of the Tariff. In addition, if the separate projects on a single parcel in aggregate would not qualify the facilities as a larger class, then they will not be considered segmented, and would be allowed. For example, a developer proposes a 70 kW and an 80 kW on the same parcel; as 150 kW together, this would be the same class and ceiling price as the project are subject to individually.

**1.1.2.3.3 Small Distributed Generation Projects**

A small distributed generation project means a Project with a nameplate capacity within the following statutory limits:

<b>Small Wind</b>	<b>Small-Scale Solar</b>	<b>Medium-Scale Solar</b>	<b>Other Technology</b>
50 kW - 1,500 kW	Up to and including 25 kW	Greater than 25 kW, up to and including 250 kW	TBD by the Board, up to 1 MW.

See Schedule 2 for approved renewable energy classes that are eligible for the current enrollment. Note that there is a separate solicitation and enrollment process rules for Small-Scale Solar projects.

**1.1.2.3.4 Large Distributed Generation Projects**

A large distributed generation project means a Project with a nameplate capacity within the following statutory limits:

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<b>Commercial-Scale Solar</b>	<b>Large-Scale Solar</b>	<b>Large Wind</b>	<b>Other Technology</b>
Greater than 250 kW, but less than 1 MW	1 MW, up to and including 5 MW	Greater than 1.5 MW, up to and including 5 MW	Greater than small DG, up to and including 5 MW

See Schedule 2 for approved renewable energy classes that are eligible for the current enrollment.

1.1.2.3.5 Energy Storage System Guidance

Energy Storage Systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter. Please see the available “ESS Guidance Diagrams” available on the RE Growth webpage at: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

**II. Application Evaluation and Selection Criteria and Process**

**2.1 Overview of Application Evaluation and Selection Process**

Applications will be subject to a consistent, defined review and selection process. Projects submitting competitive bids in an enrollment period will be evaluated against other Projects in the same renewable energy class. The first stage of review determines whether a Project satisfies specified eligibility and minimum threshold requirements. National Grid will conduct any additional evaluation as required, consistent with the requirements set forth above, and select eligible Applicants to move onto the next stage in the selection process. Subsequent to this selection, National Grid will evaluate Projects based on certain threshold criteria, described below in sections 2.1.1-2.1.3, and then award selected projects Certificates of Eligibility as described in sections 2.1.4 and 2.1.5.

**2.1.1 Interconnection Progress Prior to Enrollment**

A Project must have made sufficient progress in the interconnection process prior to enrollment to ensure that interconnection costs have been estimated and the Project is likely to meet the statutory deadlines above. Project owners must have already submitted an application for interconnection and, if necessary, must have received a completed Impact Study for Renewable DG (ISR DG) from the Company. A copy of the interconnection application and a completed ISR DG, or valid Interconnection Service Agreement, must be enclosed along with an application for enrollment under this program. A valid Interconnection Service Agreement is one that has been signed by both the Applicant and National Grid. All interconnection costs, if any, must be paid by the Applicant of the distributed generation (DG) project in accordance with the payment

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plan identified within the Interconnection Service Agreement. However, a distributed generation facility owner may appeal to the Commission to reduce any required system upgrade costs to the extent such upgrades can be shown to benefit other customers of the electric distribution company and the balance of such costs shall be included in rates by the electric distribution company for recovery in the year incurred or the year following incurrence.

For information regarding ISRDG and the standards for the interconnection of generators in Rhode Island, please see: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

### **2.1.2 Site Control**

The Applicant must show actual control of the site where the Project is to be located, or show that it has exercised its right to acquire control of the site. To meet this requirement, the Applicant must represent that it owns or leases (or has an executed, exclusive, unconditional option to own or lease) the site on which the proposed project will be located, and that it has any additional rights required to develop and operate the project at the site.

### **2.1.3 Application Completeness and Timeliness**

Applicants must endeavor to complete the entire application and provide all reasonably available information in each section of the application. Applicants will not be allowed to modify their applications after they are submitted to the Company.

Applications must include the estimated total project development costs. Applications that do not include the estimated total project development costs will be rejected. Total project development cost is defined as: "The expected all-in project capital cost, which should include all hardware, balance of plant, design, construction, permitting, interconnection, metering, development (including developer fee), interest during construction, financing costs and reserves. This figure should not account for any tax incentives, grants, or other cash incentives, which will be accounted for separately. This figure should not include O&M expenses or replacement costs. All other upfront capital costs must be included."

Applications must be timely submitted in accordance with the enrollment dates set forth in Schedule 5. Applications received after the deadline will not be accepted.

Following the submission of applications, National Grid may request additional information from Applicants at any time during the process. Applicants that do not respond to requests for information may be disqualified from an enrollment.

### **2.1.4 Competitive Bidding for Distributed Generation Projects**

All distributed generation projects subject to these Solicitation and Enrollment Process Rules are subject to a bidding process to determine which Projects are selected for the RE Growth Program. Each Project is required to bid a price per kilowatt-hour for its entire output (net of

any station service) for the approved tariff term length, which shall not exceed the applicable ceiling price. Following eligibility and threshold evaluations, the price evaluation of the bids for that applicable Tariff supplement will be applied on a consistent basis such that the same approved term lengths for competing bids are used to determine the winning bids. Selection will be made by ranking the eligible projects from lowest bid price received to highest, but not to exceed the applicable ceiling price. See Schedule 2 for the approved Ceiling Prices for the current program year. Projects will be selected beginning with the lowest bid price and continuing to select projects up to the enrollment MW target for the applicable class. If selected, the price each Project bids into the solicitation will be its PBI paid under the applicable Tariff supplement.

If the Projects that bid the same price exceed the capacity specified for a renewable energy class target, National Grid will consult with the Board and the OER in selecting first those projects that appear to be the furthest along in development and that are most likely to be deployed. Those Projects that are likely to achieve commercial operations at the earliest time shall be selected first. The Company may also consult with the Board, the OER, and/or the Division during this further assessment.

### **2.1.5 Solar Carport Incentive Eligibility and Application**

A Solar Carport Incentive is now offered for that portion of DG Project that qualifies for the adder. A Solar Carport is defined as “The portion of the direct current (DC) nameplate capacity of a Solar DG Project that is installed above a permeable and/or non-permeable existing or new parking area and associated access and walkway areas (as recognized by the local municipal building and/or zoning department), which is installed in a manner that maintains the function of the area beneath the structure, and is continued to be used or available for use for such purposes for the term of enrollment in this tariff.” Upon application, plans, one-line diagrams or other forms of identification of the amount of solar DC capacity that will be qualified as a Solar Carport must be submitted to National Grid.

Application of the Solar Carport Incentive to the total Performance Based Incentive will occur after the competitive bidding process. Solar carport eligible projects should bid in the appropriate class and offer a price at or below the class ceiling price without including the adder. If the project wins an allocation of capacity in the enrollment process, National Grid will then calculate the Solar Carport Incentive for the project based on the portion of the project that qualifies as a Solar Carport, and the total project size. This ratio will then be multiplied by the Solar Carport Incentive Rate, listed on Schedule 2, and this will be added to the PBI for all of the output of the facility. This calculation is detailed in Section 8.b. of the RE Growth Non-Residential Tariff.

#### **2.1.5.1 Open Enrollment Application**

For the 2020 Program Year there are a total of 6.0 MW of Solar Carport Capacity Nameplate (kW DC) set aside for enrollment through all three Open Enrollments (limits of 2.0 MW for Commercial-Scale Solar and 4.0 MW for Large-Scale Solar). If the carport capacity target is met

prior to the third open enrollment, the adder is no longer available for Solar Carport projects in that energy class. If there is Solar Carport Capacity remaining, of the 6.0 MW set aside, after the third enrollment, then National Grid, the OER, and the Board may mutually agree to allocate the remainder to its Commercial-Scale Solar or Large-Scale Solar energy class or another energy class without Commission approval as long as the re-allocated targets would not exceed the annual MW Target.

## 2.2 Issuance of Certificates of Eligibility

For small-scale and medium-scale solar projects, National Grid shall provide Certificates of Eligibility to the selected projects without obtaining Commission confirmation or approval, but subject to the review and consent of the OER. National Grid will file with the Commission a list of all small-scale solar Projects that are awarded Certificates of Eligibility. National Grid will award Certificates of Eligibility to eligible small-scale solar projects in accordance with the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects.

For medium-scale, commercial-scale and large-scale solar, and all other distributed generation projects, National Grid shall file with the Commission a list of the distributed generation projects selected together with the corresponding pricing information. The Commission shall issue an order listing those projects to which Certificates of Eligibility are awarded within sixty (60) days of receipt of the list.

The Certificate of Eligibility will contain applicable DG Facility information, including renewable technology and class, facility size and energy output, term length, price, certificate issuance and certificate effective dates.

## 2.3 Requirements to Initiate Payment for Output

If awarded a Certificate of Eligibility, a Project is required to meet specific requirements to maintain its status in the RE Growth Program prior to and during construction, and to initiate the start of the payments for its output. These requirements are set forth below.

### 2.3.1 Performance Guarantee Deposit

Except for small-scale solar and medium-scale solar projects, Applicants are required to pay a performance guarantee deposit to National Grid, which must be made by wire transfer. The performance guarantee deposit is determined, in part, on the quantity of renewable energy certificate estimated to be generated per year under the Program. The deposit is fifteen dollars (\$15.00) for each REC estimated to be generated per year by a Small Distributed Generation project and twenty-five dollars (\$25.00) for each REC estimated to be generated per year by a Large Distributed Generation project. A performance guarantee deposit is at least five hundred dollars (\$500) and not more than seventy-five thousand dollars (\$75,000).

The deposit must be received and confirmed by National Grid within five (5) business days after a project is offered a Certificate of Eligibility. There are no exceptions to this requirement.

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Applicants should be prepared to make a deposit when submitting applications into any enrollment. If payment of the required performance guarantee deposit is not received by the date required, the Company will withdraw the offer and proceed with the next competitive bid in that enrollment.

The Company will refund the performance guarantee deposit over the course of the first year of the project's operation, paid quarterly.

**2.3.2 Project Schedule and Output Certification**

A project must certify that it is capable of producing at least ninety percent (90%) of the output that was proposed in its enrollment application before its deadline. All projects will have a twenty-four (24) month deadline to meet this requirement, but anaerobic digestion projects will have thirty six (36) months, and small-scale hydro will have forty-eight (48) months). A project's proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

If a project does not certify that it is capable of generating the output proposed in its enrollment application on or before the applicable deadline, the project's Certificate of Eligibility will be voided and its performance guarantee deposit will be forfeited. Forfeited performance guarantee deposits shall be credited to all distribution customers through rates and not retained by National Grid. National Grid will not refund the Performance Guarantee Deposit to any project that does not provide an Output Certification within the applicable deadlines, including any extensions available to the Applicant as described in Section 3.f. and 3.g. of the Tariff (note: deadline may be extended by 6 months with no additional PGD and an additional 6 months beyond that by posting one-half original PGD for the second extension).

A DG Facility must provide an independent third-party (licensed PE) engineer's "Output Certification" stating:

1. that the DG Facility or project has been completed in all material respects;
  - a. including completion of construction of facility and all interconnection facilities necessary for operation;
  - b. applicable meters have been installed and tested (commissioned).
2. that the DG Facility or project is capable of producing at least 90% of the maximum hourly output proposed in the project application and specified on the *Certificate of Eligibility*;
3. the actual DC-rated nameplate capacity of the DG Facility or project as built and specified on the *Certificate of Eligibility*, and the amount of DC-rated nameplate capacity that is installed as-built that qualifies under the Solar Carport definition, if any; and the maximum hourly output in kWh/hour in Alternating Current (AC) of the facility as built and specified on the *Certificate of Eligibility*. Once a DG Project has provided the Output Certification to National Grid, the Project then has 90 days to meet all other requirements pursuant to Section 8.a. of the Tariff in order to receive payment.

Small-scale and medium-scale solar projects are not required to provide the Output Certification or pay a performance guarantee deposit. However, after receiving a Certificate of Eligibility, a small-scale or medium-scale solar project has twenty-four (24) months to meet all other requirements pursuant to the Tariff in order to receive compensation under the RE Growth Program. If a Project does not meet this deadline, the Certificate of Eligibility will be voided.

### **2.3.3 Qualification as an Eligible Renewable Energy Resource under the RES**

An Applicant to the RE Growth Program must obtain qualification for a Project as a renewable energy resource pursuant to the Rhode Island Renewable Energy Standard (RES). Applicants must complete a Renewable Energy Resources Eligibility Form and obtain Commission approval in order to be qualified under the RES. The form can be found at:

<http://www.ripuc.org/utilityinfo/res.html>

In addition, the Applicant is required cooperate with the Company to register and qualify RECs in other jurisdictions in order to monetize the value of these market products to offset the cost of the RE Growth Program.

## **2.4 Ownership of Products**

The Company shall have the rights and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the Project during the applicable term of the Tariff supplement;
- (2) All energy produced by the Project; and
- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the Project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

### **2.4.1 Delivery of Energy into ISO-NE Market**

Energy must be delivered to National Grid in the ISO-NE Rhode Island load zone at the delivery node associated with the Project.

### **2.4.2 Delivery of RECs and Registration in NEPOOL GIS**

Applicants must cooperate with and provide information to the Company to enable RECs to be created by the Project at the NEPOOL Generation Information System, and for such RECs to be transferred or assigned to the Company's appropriate NEPOOL GIS account, as governed by the Tariff.

### **2.4.3 Participation in ISO-NE Forward Capacity Market (FCM)**

Upon National Grid's election to acquire the capacity from a Project, National Grid will assume the rights to the capacity, pursuant to the Tariff. National Grid reserves the right to be the "Project Sponsor" for the Project, after consultation with the Division and the Board. If and when National Grid participates as Project Sponsor on behalf of any Project, the Applicant must support National Grid, as required, to qualify the Project as an Existing Capacity Resource in the FCM. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

## **2.5 Community Remote Distributed Generation**

Community Remote Distributed Generation (CRDG) enables customers who cannot or choose not to install renewable technologies at their service location to participate in the RE Growth Program.

Each CRDG class will have a distinct ceiling price as established by the Board, and each class shall be for resources that are larger than 250 kW (DC for solar, AC for other technologies) nameplate capacity. CRDG projects will compete against other CRDG projects in the same CRDG technology and size classes as set by the Board. Each two-week enrollment period will feature these classes as separate categories in which projects will be able to compete. The Company will select CRDG projects as it selects other projects in competitive classes on the basis of prices bid by project Applicants, and will offer a Certificate of Eligibility to successful Applicants under the same rules and processes as other classes. CRDG renewable energy classes, annual enrollment targets, and ceiling prices are listed on Schedules 1 and 3.

### **2.5.1 CRDG - Additional Application Materials and Provisions**

CRDG Applicants must receive PBI payments in the form of cash and Bill Credits. No more than fifty percent (50%) of the output by kWh generated by the DG Project may be allocated to a single Bill Credit Recipient. At least 50% of the output must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system. Both of these conditions must be met within the operational timelines specified in the Tariff, and must be met prior to being allowed to operate in parallel. CRDG Applicants must submit a Customer Payment/Credit Transfer Form that notes the billing accounts for Bill Credit Recipients and other required information. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules. CRDG Applicants must designate at least three (3) eligible Bill Credit Recipients. There is a minimum bill credit amount set for projects participating as CRDG facilities each year. The Minimum Bill Credit Amount will be calculated as 50% of the difference between the ceiling prices of non-CRDG facilities and CRDG facilities of the same technology and class, but in no case will be greater than 1.25¢ per kWh. These are shown in the Non-Residential tariff supplements applicable to each program year.

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Full Bill Credit Recipient criteria, the allocation of CRDG kWh generation to Bill Credit Recipients, the application of bill credits to customers on the A-60 rate, and the calculation of Bill Credits and cash payments are as set forth in Section 8.d. of the Tariff.

### **2.5.1 CRDG – Low-Income Incentive Eligibility and Application**

A Customer whose CRDG project assigns a minimum of 20 percent of its Bill Credits to Low-Income CRDG Customers will be eligible for the Low Income CRDG Incentive specified in the applicable program year Tariff supplement for each kilowatt hour that is assigned to such qualifying customers. The minimum Bill Credit from the Low Income CRDG Incentive that must be transferred to the Low Income CRDG Customers will be two-thirds (2/3rds) of the value of the LI CRDG Incentive for the Program Year in which the project is enrolled.

During the application process a CRDG project will need to select enrollment for the CRDG – Low-Income Incentive and provide a projected percentage of the project assigned to Low-Income CRDG Customers. The Program Year Low Income CRDG Incentive will be added to the competitively bid PBI of the specific project once it is operating, for each kilowatt hour credit delivered to Low Income CRDG Customers. If enrollment of Low Income CRDG Customers, in such an eligible facility, falls below 10 percent of its output over a program year, the project portion of the incentive will be withheld by the Company until enrollment is increased back to 20 percent of annual generation.

## 2.6 Shared Solar

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and 26-250 kW DC nameplate capacity, respectively).

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

The system size for Bill Credit Recipients will be determined by the sum of the three (3)-year average on-site use over the previous three (3) years of all of the indicated Bill Credit Recipients' accounts at the time of the application. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. The customer may request that the Company reset its three (3)-year annual average use once three (3) years of billing history are available.

**Redlined Version**

Shared Solar Projects will receive the same ceiling price and enroll from the same classes of other projects of the same size and ownership as established by the Board for a given program year.

**2.6.1 Shared Solar Additional Application Material and Provisions**

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

Shared Solar Applicants will receive PBI payments as a combination of cash payments and Bill Credits (Option 2). The DG Project and Bill Credit Recipients must be in the same customer class (i.e., Residential or Nonresidential). All customer accounts receiving Bill Credits must be in the same customer class (i.e., Residential or Nonresidential) although they may be on different retail delivery service rate classes. The Bill Credit value from the Shared Solar Project shall be determined by the recipients' rate class and not that of the facility owner. The Bill Credit value shall be the distribution, transition, transmission, and ~~standard offer~~ Last Resort Service supply rates of the Bill Credit Recipients. Any value of Bill Credits not transferred from the Shared Solar project shall be included in the total Performance Based Incentive. PBI payments and Bill Credits will be calculated as set forth in Section 8.c. of the Tariff.

In no case will the annual allocated credits in kWh exceed the prior three (3) year annual average usage, less any reductions for verified energy efficiency measures installed at the customer premises, of the customer account to which the Bill Credits are transferred.

**III. Contact Information and Other Provisions**

**3.1 Official Contact**

All questions and communications regarding these Rules should be directed via electronic mail to National Grid Environmental Transactions at the following address:

[RenewableContracts@nationalgrid.com](mailto:RenewableContracts@nationalgrid.com)

**3.2 Submittal of Enrollment Applications**

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island Renewable Energy Growth Program website: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

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Applications must be submitted electronically via the website, during the two-week Open Enrollment set forth in Schedule 5. Applications received after the deadline cannot be accepted for that particular open enrollment but can be submitted in a future open enrollment solicitation.

### 3.3 Rhode Island State Licensing Requirement

Pursuant to R.I. Gen. Laws § 5-65-1, a registered contractor or firm with a contractor's registration shall perform the work associated with the installation of solar energy systems or equipment (i.e. racking systems, in-ground mounting or anchoring).

Renewable energy firms, or their subcontractor or agent conducting the installation, must hold a Rhode Island General Contractors registration and provide their registration number and Electrician license number as part of the interconnection application for the project as a condition of final approval to enroll.

### 3.4 Confidentiality

Each application shall contain the full name and business address of the Applicant, and a contact person, and shall be signed by an authorized person.

The Board, the OER, and National Grid shall enter into an agreement regarding the sharing of the information and data related to the RE Growth Program, including such information as application information, details regarding project ownership, and pricing. At the request of the Board, the OER, National Grid, or the Division, the Commission shall have the authority to protect from public disclosure individual information for any projects that have not been awarded a Certificate of Eligibility. Information regarding project size, location, owner, and price will be made public for projects awarded a Certificate of Eligibility.

### 3.5 Facility Inspection by Independent Quality Inspector

All facilities shall be subject to inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection in reasonable time and with full access to the facility will be considered a potential cause for termination or suspension of PBI payments until cured.

### 3.6 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules, is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility

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(Section 2.2 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

**Redlined Version**

**Schedule 1**

**Approved Annual Enrollment Targets for Program Year ~~2020~~2019-2021~~0~~**

<b>Renewable Energy Class</b>	<b>Annual Enrollment Target (Nameplate MW)</b>	<b>Solar Carport Capacity Target (Nameplate MW)</b>
Medium-Scale Solar	<del>35</del> MW DC	<u>1.0 MW DC</u> <sup>(1)</sup>
Commercial-Scale Solar	<del>108.244</del> MW DC	2.0 MW DC <sup>(1)</sup>
Community Remote - Commercial Solar	<del>53.0</del> MW DC	
Large Solar	<del>2018.294</del> MW DC	4.0 MW DC <sup>(1)</sup>
Community Remote - Large Solar	<del>35.897</del> MW DC	
Community Remote and Non-Community Remote Wind	3.0 MW DC	
Anaerobic Digestion I	1.0 MW DC	
Anaerobic Digestion II		
Small-Scale Hydropower I		
Small-Scale Hydropower II		

<sup>(1)</sup> The Solar Carport Capacity Target Nameplate (kW DC) is set aside for enrollment through all three Open Enrollments. A Customer whose DG Project includes nameplate capacity that meets the definition as a Solar Carport will be eligible for the Solar Carport Incentive listed in Schedule 2 and that capacity will be removed from the current target. Solar carport eligible projects should bid in the appropriate class as specified in Section 2.1.5.

Note: Schedule 1 will be updated as required for each enrollment period.

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**Schedule 2**

**Approved Renewable Energy Classes and Ceiling Prices Applicable to Program Year ~~20210-~~  
20221**

Renewable Energy Class (Nameplate kW)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	<del>21.15</del> <u>22.25</u>	20
Commercial-Scale Solar (251- <del>999-750</del> kW DC)	<del>18.25</del> <u>19.05</u>	20
<u>Commercial-Scale Solar (751-999 kW DC)</u>	<u>15.75</u>	<u>20</u>
Large-Scale Solar (1,000-5,000 kW DC)	<del>13.65</del> <u>11.85</u>	20
Wind (Up to 5,000 kW)	<del>18.85</del> <u>20.05</u>	20
Anaerobic Digestion (1-5,000 kW)	<del>15.35</del> <u>21.15</u>	20
Hydropower (1-5,000 kW)	<del>21.45</del> <u>27.35</u>	20

**Other Incentive Rates for Program Year ~~20210-~~221**

Incentive Rate	(cents/kWh)	Term of Service (years)
Solar Carport Incentive	<del>6.0</del> <u>5.0</u>	20
<u>Low-Income CRDG Incentive</u>	<u>3.0</u>	<u>Enrollment Dependent</u>

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Schedule 3

Community Remote Distributed Generation (CRDG) Approved Renewable Energy Classes and Ceiling Prices Applicable to Program Year ~~2021~~2022

Renewable Energy Class (Nameplate kW)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
CRDG - Commercial Solar (251- <del>999</del> <u>750</u> kW DC)	<del>20.99</del> <u>21.91</u>	20
<u>CRDG - Commercial Solar</u> <u>(751-999 kW DC)</u>	<u>15.75</u>	<u>20</u>
CRDG - Large Solar (1,000-5,000 kW DC)	<del>15.70</del> <u>13.63</u>	20
CRDG - Wind (1,000-5,000 kW DC)	<del>21.05</del> <u>22.45</u>	20

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**Schedule 4**

**Anticipated Timeline**

<b>Event</b>	<b>Anticipated Dates</b>
Enrollment begins	
Due Date for Submission of Applications	
Notice of Selection	
File Results with RI PUC for approval	
RI PUC Approval (expected)	



**The Narragansett Electric Company d/b/a National Grid**

**Rhode Island Renewable Energy Growth Program  
Solicitation and Enrollment Process Rules for Solar (Greater  
than 25 kW), Wind, Hydro and Anaerobic Digester Projects**

*Effective Date: April 1, 2021*

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## I. Introduction and Overview

### 1.1 Purpose of the Solicitation and Enrollment

National Grid (the Company) developed the Renewable Energy Growth Program (RE Growth Program) pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws to facilitate the development and compensation of distributed generation projects in Rhode Island. These Solicitation and Enrollment Process Rules for Non-Residential Projects (Rules) provide the means by which an applicant (Applicant) can qualify and enroll a project (Project) in the RE Growth Program. The Rules are only part of the RE Growth Program documents and should be read along with the Non-Residential RE Growth Program Tariff (Tariff). As described below, a Project enrolled in the RE Growth Program must supply National Grid with energy, capacity, Renewable Energy Certificates (RECs), and other environmental attributes and market products. Any term not defined in the Rules is defined in the Tariff.

These Rules will apply to all Projects that are not Small-Scale Solar Projects, subject to the eligibility provisions below. A Small-Scale Solar Project is a solar project having a nameplate capacity of up to and including twenty-five kilowatts (25 kW), and is subject to the rules for Small-Scale Solar Projects.

These Rules, along with the Tariff, will govern the eligibility and procedures for Projects in the RE Growth Program. National Grid will not execute contracts with Applicants.

### 1.2 Enrollment Framework

National Grid is operating the RE Growth Program, as guided by the Distributed Generation Board (Board) in consultation with the Rhode Island Office of Energy Resources (OER). The Program is subject to the approval of the Rhode Island Public Utilities Commission (Commission). National Grid may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts to be enrolled for the year (annual MW target), and a target amount of megawatts for each enrollment event (enrollment MW target), both of which will be based on nameplate capacity. The nameplate capacity of a Project is its maximum rated output or gross output of a generator; for solar technology, it is the total rated power output of all the panels measured in direct current (DC). The enrollment MW target will be a specific portion of the annual MW target.

For each program year, the Board will recommend the enrollment MW target and a target amount of megawatts for each class of renewable resource (class MW target), which will be a specific portion of the enrollment MW target. Both of these recommendations from the Board are subject to Commission approval. If there is an over-subscription in one class and an under-subscription in an enrollment MW target, then National Grid, the OER, and the Board may

mutually agree to allocate megawatts from one class to another without Commission approval as long as the re-allocated targets would not exceed the annual MW Target.

Annual MW targets are 40 MW per year from 2020 to 2029, with at least three megawatts (3 MW) of capacity to be carved out exclusively for small-scale solar projects in each of the first four (4) program years. The Board may recommend and/or the Commission may adopt a new annual MW target for small-scale projects. Any cancelled or unused capacity from prior years may be added by the Board to the next program year.

A "program year" means a year beginning April 1 and ending March 31.. Except for the first program year (2015), National Grid is required, in consultation with the Board and the OER, to conduct at least three (3) tariff enrollments for each distributed generation class each program year. The classes and targets for each program year are listed in Schedule 1, which will be updated periodically, and Schedule 2 of this application.

For each program year, the Board will recommend the Ceiling Prices and Standard Performance-Based Incentives (PBI), as applicable, for each renewable energy class, subject to Commission approval. For all projects subject to these Solicitation and Enrollment Process Rules, the Ceiling Price is the bidding price cap, further described in Section 2.1.5. See Schedule 2 for the approved Ceiling Prices for the current program year.

### **1.1.1 Applications**

Each enrollment will be open for a two (2) week period. During the enrollment period, National Grid will accept standard short-form applications. The standard application shall require the Applicant to provide the following information about the project: (1) the project ownership; (2) the location of the proposed project; (3) the nameplate capacity; and (4) the renewable energy class. The application allows Applicants to provide additional information relative to the permitting, financial feasibility, ability to build, and timing for achieving commercial operation of the proposed projects. The Applicant must certify in the application that the project will not violate the prohibition on project segmentation, as set forth in the Tariff.

Applicants will be selected for the RE Growth Program in accordance with the rules below.

### **1.1.2 Eligibility Requirements**

#### **1.1.2.1 Introduction**

To be eligible, a Project must meet certain requirements, and National Grid will review all applications to determine whether they meet these requirements. Projects that do not meet eligibility requirements will be disqualified from the RE Growth Program.

#### 1.1.2.2 Eligible Applicant

An Applicant must be in good standing on its obligations to National Grid. Such obligations include but are not limited to meeting obligations under an Interconnection Service Agreement and being current with amounts due on the electric service account(s) or fulfilling the requirements of an approved payment plan.

#### 1.1.2.3 Eligible Facilities

To be eligible for an enrollment, a Project must: (1) be an eligible renewable energy resource under the RE Growth Program, as determined by the Board and approved by the Commission; (2) have a nameplate capacity equal to or less than five megawatts (5 MW); (3) interconnect with the distribution system of The Narragansett Electric Company; and (4) be located in The Narragansett Electric Company ISO-NE load zone.

Nameplate capacity is the maximum rated output or gross output of a generator; for solar technology it is the total rated power output of all panels measured in direct current (DC).

To apply, a distributed generation project must not be: (1) already operating; (2) under construction, except for preparatory site work that is less than twenty-five percent (25%) of the estimated total project cost; or (3) fully financed for construction, except to the extent that financing agreements are conditioned upon the selection of the project in this program. A pre-existing hydroelectric generating facility that is already operating may be eligible for the RE Growth Program if it can demonstrate with reasonable evidence its need for a material investment to restore or maintain reliable and efficient operation and meet all regulatory, environmental or operational requirements, in addition to meeting the other criteria of the RE Growth Program.

##### 1.1.2.3.1 Renewable Energy Classes

For each program year, the Board shall determine the renewable energy classes, which are defined by specific technology, nameplate size, and other requirements as may be applicable as determined by the Board, subject to Commission approval. The Board may make recommendations to the Commission to add, eliminate, or adjust renewable energy classes for each program year. See Schedule 2 for the approved renewable energy classes for the applicable program year. To be eligible for an enrollment, a distributed generation project must qualify within one of the approved renewable energy classes for the applicable program year as indicated in Schedule 2.

##### 1.1.2.3.2 Prohibition on Project Segmentation

Project segmentation occurs when one distributed generation project is split into multiple projects on a single parcel or on contiguous parcels in order to qualify under smaller size project classifications. All Applicants are required to include assessor's maps with their applications so that the Company can review project eligibility in light of the prohibition on project

segmentation. The Company may also require additional property information to verify that the project is eligible for participation in the program.

Under the RE Growth Program, project segmentation is not allowed. However, a Project developer may designate an additional distributed generation unit or portion of a unit on the same parcel or on a contiguous parcel for net metering or for other means of participating in electricity markets, as long as any such unit or portion of such unit: (1) is not receiving Performance-Based Incentives through the RE Growth Program; (2) is segregated electrically; and (3) is separately metered.

A Project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the Project and the start of construction of new distributed generation unit(s) of the same resource technology on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resource technologies (e.g., a wind turbine and a solar array could both be eligible within the 24 month window). DG projects installed on contiguous parcels will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2, as described in Section 8.c. of the Tariff. In addition, if the separate projects on a single parcel in aggregate would not be qualify the facilities as a larger class, then they will not be considered segmented, and would be allowed. For example, a developer proposes a 70 kW and an 80 kW on the same parcel; as 150 kW together, this would be the same class and ceiling price as the project are subject to individually.

1.1.2.3.3 Small Distributed Generation Projects

A small distributed generation project means a Project with a nameplate capacity within the following statutory limits:

<b>Small Wind</b>	<b>Small-Scale Solar</b>	<b>Medium-Scale Solar</b>	<b>Other Technology</b>
50 kW - 1,500 kW	Up to and including 25 kW	Greater than 25 kW, up to and including 250 kW	TBD by the Board, up to 1 MW.

See Schedule 2 for approved renewable energy classes that are eligible for the current enrollment. Note that there is a separate solicitation and enrollment process rules for Small-Scale Solar projects.

1.1.2.3.4 Large Distributed Generation Projects

A large distributed generation project means a Project with a nameplate capacity within the following statutory limits:

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<b>Commercial-Scale Solar</b>	<b>Large-Scale Solar</b>	<b>Large Wind</b>	<b>Other Technology</b>
Greater than 250 kW, but less than 1 MW	1 MW, up to and including 5 MW	Greater than 1.5 MW, up to and including 5 MW	Greater than small DG, up to and including 5 MW

See Schedule 2 for approved renewable energy classes that are eligible for the current enrollment.

1.1.2.3.5 Energy Storage System Guidance

Energy Storage Systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter. Please see the available “ESS Guidance Diagrams” available on the RE Growth webpage at: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

**II. Application Evaluation and Selection Criteria and Process**

**2.1 Overview of Application Evaluation and Selection Process**

Applications will be subject to a consistent, defined review and selection process. Projects submitting competitive bids in an enrollment period will be evaluated against other Projects in the same renewable energy class. The first stage of review determines whether a Project satisfies specified eligibility and minimum threshold requirements. National Grid will conduct any additional evaluation as required, consistent with the requirements set forth above, and select eligible Applicants to move onto the next stage in the selection process. Subsequent to this selection, National Grid will evaluate Projects based on certain threshold criteria, described below in sections 2.1.1-2.1.3, and then award selected projects Certificates of Eligibility as described in sections 2.1.4 and 2.1.5.

**2.1.1 Interconnection Progress Prior to Enrollment**

A Project must have made sufficient progress in the interconnection process prior to enrollment to ensure that interconnection costs have been estimated and the Project is likely to meet the statutory deadlines above. Project owners must have already submitted an application for interconnection and, if necessary, must have received a completed Impact Study for Renewable DG (ISR DG) from the Company. A copy of the interconnection application and a completed ISR DG, or valid Interconnection Service Agreement, must be enclosed along with an application for enrollment under this program. A valid Interconnection Service Agreement is one that has been signed by both the Applicant and National Grid. All interconnection costs, if any, must be paid by the Applicant of the distributed generation (DG) project in accordance with the payment

plan identified within the Interconnection Service Agreement. However, a distributed generation facility owner may appeal to the Commission to reduce any required system upgrade costs to the extent such upgrades can be shown to benefit other customers of the electric distribution company and the balance of such costs shall be included in rates by the electric distribution company for recovery in the year incurred or the year following incurrence.

For information regarding ISRDG and the standards for the interconnection of generators in Rhode Island, please see: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

### **2.1.2 Site Control**

The Applicant must show actual control of the site where the Project is to be located, or show that it has exercised its right to acquire control of the site. To meet this requirement, the Applicant must represent that it owns or leases (or has an executed, exclusive, unconditional option to own or lease) the site on which the proposed project will be located, and that it has any additional rights required to develop and operate the project at the site.

### **2.1.3 Application Completeness and Timeliness**

Applicants must endeavor to complete the entire application and provide all reasonably available information in each section of the application. Applicants will not be allowed to modify their applications after they are submitted to the Company.

Applications must include the estimated total project development costs. Applications that do not include the estimated total project development costs will be rejected. Total project development cost is defined as: "The expected all-in project capital cost, which should include all hardware, balance of plant, design, construction, permitting, interconnection, metering, development (including developer fee), interest during construction, financing costs and reserves. This figure should not account for any tax incentives, grants, or other cash incentives, which will be accounted for separately. This figure should not include O&M expenses or replacement costs. All other upfront capital costs must be included."

Applications must be timely submitted in accordance with the enrollment dates set forth in Schedule 5. Applications received after the deadline will not be accepted.

Following the submission of applications, National Grid may request additional information from Applicants at any time during the process. Applicants that do not respond to requests for information may be disqualified from an enrollment.

### **2.1.4 Competitive Bidding for Distributed Generation Projects**

All distributed generation projects subject to these Solicitation and Enrollment Process Rules are subject to a bidding process to determine which Projects are selected for the RE Growth Program. Each Project is required to bid a price per kilowatt-hour for its entire output (net of

any station service) for the approved tariff term length, which shall not exceed the applicable ceiling price. Following eligibility and threshold evaluations, the price evaluation of the bids for that applicable Tariff supplement will be applied on a consistent basis such that the same approved term lengths for competing bids are used to determine the winning bids. Selection will be made by ranking the eligible projects from lowest bid price received to highest, but not to exceed the applicable ceiling price. See Schedule 2 for the approved Ceiling Prices for the current program year. Projects will be selected beginning with the lowest bid price and continuing to select projects up to the enrollment MW target for the applicable class. If selected, the price each Project bids into the solicitation will be its PBI paid under the applicable Tariff supplement.

If the Projects that bid the same price exceed the capacity specified for a renewable energy class target, National Grid will consult with the Board and the OER in selecting first those projects that appear to be the furthest along in development and that are most likely to be deployed. Those Projects that are likely to achieve commercial operations at the earliest time shall be selected first. The Company may also consult with the Board, the OER, and/or the Division during this further assessment.

### **2.1.5 Solar Carport Incentive Eligibility and Application**

A Solar Carport Incentive is now offered for that portion of DG Project that qualifies for the adder. A Solar Carport is defined as “The portion of the direct current (DC) nameplate capacity of a Solar DG Project that is installed above a permeable and/or non-permeable existing or new parking area and associated access and walkway areas (as recognized by the local municipal building and/or zoning department), which is installed in a manner that maintains the function of the area beneath the structure, and is continued to be used or available for use for such purposes for the term of enrollment in this tariff.” Upon application, plans, one-line diagrams or other forms of identification of the amount of solar DC capacity that will be qualified as a Solar Carport must be submitted to National Grid.

Application of the Solar Carport Incentive to the total Performance Based Incentive will occur after the competitive bidding process. Solar carport eligible projects should bid in the appropriate class and offer a price at or below the class ceiling price without including the adder. If the project wins an allocation of capacity in the enrollment process, National Grid will then calculate the Solar Carport Incentive for the project based on the portion of the project that qualifies as a Solar Carport, and the total project size. This ratio will then be multiplied by the Solar Carport Incentive Rate, listed on Schedule 2, and this will be added to the PBI for all of the output of the facility. This calculation is detailed in Section 8.b. of the RE Growth Non-Residential Tariff.

#### **2.1.5.1 Open Enrollment Application**

For the 2020 Program Year there are a total of 6.0 MW of Solar Carport Capacity Nameplate (kW DC) set aside for enrollment through all three Open Enrollments (limits of 2.0 MW for Commercial-Scale Solar and 4.0 MW for Large-Scale Solar). If the carport capacity target is met

prior to the third open enrollment, the adder is no longer available for Solar Carport projects in that energy class. If there is Solar Carport Capacity remaining, of the 6.0 MW set aside, after the third enrollment, then National Grid, the OER, and the Board may mutually agree to allocate the remainder to its Commercial-Scale Solar or Large-Scale Solar energy class or another energy class without Commission approval as long as the re-allocated targets would not exceed the annual MW Target.

## 2.2 Issuance of Certificates of Eligibility

For small-scale and medium-scale solar projects, National Grid shall provide Certificates of Eligibility to the selected projects without obtaining Commission confirmation or approval, but subject to the review and consent of the OER. National Grid will file with the Commission a list of all small-scale solar Projects that are awarded Certificates of Eligibility. National Grid will award Certificates of Eligibility to eligible small-scale solar projects in accordance with the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects.

For medium-scale, commercial-scale and large-scale solar, and all other distributed generation projects, National Grid shall file with the Commission a list of the distributed generation projects selected together with the corresponding pricing information. The Commission shall issue an order listing those projects to which Certificates of Eligibility are awarded within sixty (60) days of receipt of the list.

The Certificate of Eligibility will contain applicable DG Facility information, including renewable technology and class, facility size and energy output, term length, price, certificate issuance and certificate effective dates.

## 2.3 Requirements to Initiate Payment for Output

If awarded a Certificate of Eligibility, a Project is required to meet specific requirements to maintain its status in the RE Growth Program prior to and during construction, and to initiate the start of the payments for its output. These requirements are set forth below.

### 2.3.1 Performance Guarantee Deposit

Except for small-scale solar and medium-scale solar projects, Applicants are required to pay a performance guarantee deposit to National Grid, which must be made by wire transfer. The performance guarantee deposit is determined, in part, on the quantity of renewable energy certificate estimated to be generated per year under the Program. The deposit is fifteen dollars (\$15.00) for each REC estimated to be generated per year by a Small Distributed Generation project and twenty-five dollars (\$25.00) for each REC estimated to be generated per year by a Large Distributed Generation project. A performance guarantee deposit is at least five hundred dollars (\$500) and not more than seventy-five thousand dollars (\$75,000).

The deposit must be received and confirmed by National Grid within five (5) business days after a project is offered a Certificate of Eligibility. There are no exceptions to this requirement.

Applicants should be prepared to make a deposit when submitting applications into any enrollment. If payment of the required performance guarantee deposit is not received by the date required, the Company will withdraw the offer and proceed with the next competitive bid in that enrollment.

The Company will refund the performance guarantee deposit over the course of the first year of the project's operation, paid quarterly.

### **2.3.2 Project Schedule and Output Certification**

A project must certify that it is capable of producing at least ninety percent (90%) of the output that was proposed in its enrollment application before its deadline. All projects will have a twenty-four (24) month deadline to meet this requirement, but anaerobic digestion projects will have thirty six (36) months, and small-scale hydro will have forty-eight (48) months). A project's proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

If a project does not certify that it is capable of generating the output proposed in its enrollment application on or before the applicable deadline, the project's Certificate of Eligibility will be voided and its performance guarantee deposit will be forfeited. Forfeited performance guarantee deposits shall be credited to all distribution customers through rates and not retained by National Grid. National Grid will not refund the Performance Guarantee Deposit to any project that does not provide an Output Certification within the applicable deadlines, including any extensions available to the Applicant as described in Section 3.f. and 3.g. of the Tariff (note: deadline may be extended by 6 months with no additional PGD and an additional 6 months beyond that by posting one-half original PGD for the second extension).

A DG Facility must provide an independent third-party (licensed PE) engineer's "Output Certification" stating:

1. that the DG Facility or project has been completed in all material respects;
  - a. including completion of construction of facility and all interconnection facilities necessary for operation;
  - b. applicable meters have been installed and tested (commissioned).
2. that the DG Facility or project is capable of producing at least 90% of the maximum hourly output proposed in the project application and specified on the *Certificate of Eligibility*;
3. the actual DC-rated nameplate capacity of the DG Facility or project as built and specified on the *Certificate of Eligibility*, and the amount of DC-rated nameplate capacity that is installed as-built that qualifies under the Solar Carport definition, if any; and the maximum hourly output in kWh/hour in Alternating Current (AC) of the facility as built and specified on the *Certificate of Eligibility*. Once a DG Project has provided the Output Certification to National Grid, the Project then has 90 days to meet all other requirements pursuant to Section 8.a. of the Tariff in order to receive payment.

Small-scale and medium-scale solar projects are not required to provide the Output Certification or pay a performance guarantee deposit. However, after receiving a Certificate of Eligibility, a small-scale or medium-scale solar project has twenty-four (24) months to meet all other requirements pursuant to the Tariff in order to receive compensation under the RE Growth Program. If a Project does not meet this deadline, the Certificate of Eligibility will be voided.

### **2.3.3 Qualification as an Eligible Renewable Energy Resource under the RES**

An Applicant to the RE Growth Program must obtain qualification for a Project as a renewable energy resource pursuant to the Rhode Island Renewable Energy Standard (RES). Applicants must complete a Renewable Energy Resources Eligibility Form and obtain Commission approval in order to be qualified under the RES. The form can be found at: <http://www.ripuc.org/utilityinfo/res.html>

In addition, the Applicant is required cooperate with the Company to register and qualify RECs in other jurisdictions in order to monetize the value of these market products to offset the cost of the RE Growth Program.

## **2.4 Ownership of Products**

The Company shall have the rights and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the Project during the applicable term of the Tariff supplement;
- (2) All energy produced by the Project; and
- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the Project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

### **2.4.1 Delivery of Energy into ISO-NE Market**

Energy must be delivered to National Grid in the ISO-NE Rhode Island load zone at the delivery node associated with the Project.

### **2.4.2 Delivery of RECs and Registration in NEPOOL GIS**

Applicants must cooperate with and provide information to the Company to enable RECs to be created by the Project at the NEPOOL Generation Information System, and for such RECs to be transferred or assigned to the Company's appropriate NEPOOL GIS account, as governed by the Tariff.

### 2.4.3 Participation in ISO-NE Forward Capacity Market (FCM)

Upon National Grid's election to acquire the capacity from a Project, National Grid will assume the rights to the capacity, pursuant to the Tariff. National Grid reserves the right to be the "Project Sponsor" for the Project, after consultation with the Division and the Board. If and when National Grid participates as Project Sponsor on behalf of any Project, the Applicant must support National Grid, as required, to qualify the Project as an Existing Capacity Resource in the FCM. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

## 2.5 Community Remote Distributed Generation

Community Remote Distributed Generation (CRDG) enables customers who cannot or choose not to install renewable technologies at their service location to participate in the RE Growth Program.

Each CRDG class will have a distinct ceiling price as established by the Board, and each class shall be for resources that are larger than 250 kW (DC for solar, AC for other technologies) nameplate capacity. CRDG projects will compete against other CRDG projects in the same CRDG technology and size classes as set by the Board. Each two-week enrollment period will feature these classes as separate categories in which projects will be able to compete. The Company will select CRDG projects as it selects other projects in competitive classes on the basis of prices bid by project Applicants, and will offer a Certificate of Eligibility to successful Applicants under the same rules and processes as other classes. CRDG renewable energy classes, annual enrollment targets, and ceiling prices are listed on Schedules 1 and 3.

### 2.5.1 CRDG - Additional Application Materials and Provisions

CRDG Applicants must receive PBI payments in the form of cash and Bill Credits. No more than fifty percent (50%) of the output by kWh generated by the DG Project may be allocated to a single Bill Credit Recipient. At least 50% of the output must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system. Both of these conditions must be met within the operational timelines specified in the Tariff, and must be met prior to being allowed to operate in parallel. CRDG Applicants must submit a Customer Payment/Credit Transfer Form that notes the billing accounts for Bill Credit Recipients and other required information. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules. CRDG Applicants must designate at least three (3) eligible Bill Credit Recipients. There is a minimum bill credit amount set for projects participating as CRDG facilities each year. The Minimum Bill Credit Amount will be calculated as 50% of the difference between the ceiling prices of non-CRDG facilities and CRDG facilities of the same technology and class, but in no case will be greater than 1.25¢ per kWh. These are shown in the Non-Residential tariff supplements applicable to each program year.

Full Bill Credit Recipient criteria, the allocation of CRDG kWh generation to Bill Credit Recipients, the application of bill credits to customers on the A-60 rate, and the calculation of Bill Credits and cash payments are as set forth in Section 8.d. of the Tariff.

### **2.5.1 CRDG – Low-Income Incentive Eligibility and Application**

A Customer whose CRDG project assigns a minimum of 20 percent of its Bill Credits to Low-Income CRDG Customers will be eligible for the Low Income CRDG Incentive specified in the applicable program year Tariff supplement for each kilowatt hour that is assigned to such qualifying customers. The minimum Bill Credit from the Low Income CRDG Incentive that must be transferred to the Low Income CRDG Customers will be two-thirds (2/3rds) of the value of the LI CRDG Incentive for the Program Year in which the project is enrolled.

During the application process a CRDG project will need to select enrollment for the CRDG – Low-Income Incentive and provide a projected percentage of the project assigned to Low-Income CRDG Customers. The Program Year Low Income CRDG Incentive will be added to the competitively bid PBI of the specific project once it is operating, for each kilowatt hour credit delivered to Low Income CRDG Customers. If enrollment of Low Income CRDG Customers, in such an eligible facility, falls below 10 percent of its output over a program year, the project portion of the incentive will be withheld by the Company until enrollment is increased back to 20 percent of annual generation.

## **2.6 Shared Solar**

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and 26-250 kW DC nameplate capacity, respectively).

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

The system size for Bill Credit Recipients will be determined by the sum of the three (3)-year average on-site use over the previous three (3) years of all of the indicated Bill Credit Recipients' accounts at the time of the application. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. The customer may request that the Company reset its three (3)-year annual average use once three (3) years of billing history are available.

Shared Solar Projects will receive the same ceiling price and enroll from the same classes of other projects of the same size and ownership as established by the Board for a given program year.

### **2.6.1 Shared Solar Additional Application Material and Provisions**

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

Shared Solar Applicants will receive PBI payments as a combination of cash payments and Bill Credits (Option 2). The DG Project and Bill Credit Recipients must be in the same customer class (i.e., Residential or Nonresidential). All customer accounts receiving Bill Credits must be in the same customer class (i.e., Residential or Nonresidential) although they may be on different retail delivery service rate classes. The Bill Credit value from the Shared Solar Project shall be determined by the recipients' rate class and not that of the facility owner. The Bill Credit value shall be the distribution, transition, transmission, and Last Resort Service supply rates of the Bill Credit Recipients. Any value of Bill Credits not transferred from the Shared Solar project shall be included in the total Performance Based Incentive. PBI payments and Bill Credits will be calculated as set forth in Section 8.c. of the Tariff.

In no case will the annual allocated credits in kWh exceed the prior three (3) year annual average usage, less any reductions for verified energy efficiency measures installed at the customer premises, of the customer account to which the Bill Credits are transferred.

## **III. Contact Information and Other Provisions**

### **3.1 Official Contact**

All questions and communications regarding these Rules should be directed via electronic mail to National Grid Environmental Transactions at the following address:

[RenewableContracts@nationalgrid.com](mailto:RenewableContracts@nationalgrid.com)

### **3.2 Submittal of Enrollment Applications**

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island Renewable Energy Growth Program website: [ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program](https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program)

Applications must be submitted electronically via the website, during the two-week Open Enrollment set forth in Schedule 5. Applications received after the deadline cannot be accepted for that particular open enrollment but can be submitted in a future open enrollment solicitation.

### 3.3 Rhode Island State Licensing Requirement

Pursuant to R.I. Gen. Laws § 5-65-1, a registered contractor or firm with a contractor's registration shall perform the work associated with the installation of solar energy systems or equipment (i.e. racking systems, in-ground mounting or anchoring).

Renewable energy firms, or their subcontractor or agent conducting the installation, must hold a Rhode Island General Contractors registration and provide their registration number and Electrician license number as part of the interconnection application for the project as a condition of final approval to enroll.

### 3.4 Confidentiality

Each application shall contain the full name and business address of the Applicant, and a contact person, and shall be signed by an authorized person.

The Board, the OER, and National Grid shall enter into an agreement regarding the sharing of the information and data related to the RE Growth Program, including such information as application information, details regarding project ownership, and pricing. At the request of the Board, the OER, National Grid, or the Division, the Commission shall have the authority to protect from public disclosure individual information for any projects that have not been awarded a Certificate of Eligibility. Information regarding project size, location, owner, and price will be made public for projects awarded a Certificate of Eligibility.

### 3.5 Facility Inspection by Independent Quality Inspector

All facilities shall be subject to inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection in reasonable time and with full access to the facility will be considered a potential cause for termination or suspension of PBI payments until cured.

### 3.6 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules, is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility

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(Section 2.2 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

Schedule 1

Approved Annual Enrollment Targets for Program Year 2019-2020

Renewable Energy Class	Annual Enrollment Target (Nameplate MW)	Solar Carport Capacity Target (Nameplate MW)
Medium-Scale Solar	3 MW DC	
Commercial-Scale Solar	8.244 MW DC	2.0 MW DC <sup>(1)</sup>
Community Remote - Commercial Solar	3.0 MW DC	
Large Solar	18.294 MW DC	4.0 MW DC <sup>(1)</sup>
Community Remote - Large Solar	3 MW DC	
Community Remote and Non-Community Remote Wind	3.0 MW DC	
Anaerobic Digestion I	1.0 MW DC	
Anaerobic Digestion II		
Small-Scale Hydropower I		
Small-Scale Hydropower II		

<sup>(1)</sup> The Solar Carport Capacity Target Nameplate (kW DC) is set aside for enrollment through all three Open Enrollments. A Customer whose DG Project includes nameplate capacity that meets the definition as a Solar Carport will be eligible for the Solar Carport Incentive listed in Schedule 2 and that capacity will be removed from the current target. Solar carport eligible projects should bid in the appropriate class as specified in Section 2.1.5.

Note: Schedule 1 will be updated as required for each enrollment period.

**Schedule 2**

**Approved Renewable Energy Classes and Ceiling Prices Applicable to Program Year 2021-2022**

Renewable Energy Class (Nameplate kW)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	22.25	20
Commercial-Scale Solar (251-750 kW DC)	19.05	20
Commercial-Scale Solar (751-999 kW DC)	15.75	20
Large-Scale Solar (1,000-5,000 kW DC)	11.85	20
Wind (Up to 5,000 kW)	20.05	20
Anaerobic Digestion (1-5,000 kW)	21.15	20
Hydropower (1-5,000 kW)	27.35	20

**Other Incentive Rates for Program Year 2021-22**

Incentive Rate	(cents/kWh)	Term of Service (years)
Solar Carport Incentive	5.0	20
Low-Income CRDG Incentive	3.0	Enrollment Dependent

**Schedule 3**

**Community Remote Distributed Generation (CRDG) Approved Renewable Energy Classes and Ceiling Prices Applicable to Program Year 2021-2022**

Renewable Energy Class (Nameplate kW)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
CRDG - Commercial Solar (251-750 kW DC)	21.91	20
CRDG - Commercial Solar (751-999 kW DC)	15.75	20
CRDG - Large Solar (1,000-5,000 kW DC)	13.63	20
CRDG - Wind (1,000-5,000 kW DC)	22.45	20

**Schedule 4**

**Anticipated Timeline**

<b>Event</b>	<b>Anticipated Dates</b>
Enrollment begins	
Due Date for Submission of Applications	
Notice of Selection	
File Results with RI PUC for approval	
RI PUC Approval (expected)	



THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

**1. Introduction**

This tariff (“Tariff”) describes the terms and conditions under which an Applicant for a solar electricity generating facility (“Residential Small-Scale Solar Project” or “Project”) will receive funding pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (“Chapter 26.6”), which refers to the Renewable Energy Growth Program (“RE Growth Program”).

This Tariff will apply to an Applicant who has installed a Project with a nameplate capacity of up to and including 25 kilowatts at a Customer’s service location, or a Project with a nameplate capacity up to 250 kW that is operating as a Shared Solar Facility. The Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the aggregate On-Site Use of the Residential Customer and the Bill Credit Recipient(s), if applicable, as measured over the previous three (3) years at the eligible electric service account(s) located on the same parcel of land as the Residential Customer’s service location; 2) the aggregate annualized On-Site Use over the period of service to the Residential Customer and Bill Credit Recipient(s) if such service has been provided for less than three years; or 3) a reasonable estimate of the aggregate annual On-Site Use of the Customer and the Bill Credit Recipient(s) if the Project is located at a new service location. The Applicant and the Customer for the Project may be the same person, or different persons, subject to the eligibility standards in the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects (“Rules”) and this Tariff.

This Tariff applies to the Applicant for a Project that is awarded a Certificate of Eligibility pursuant to the Rules, and any successor Applicant for the Project. Upon being awarded a Certificate of Eligibility, a Project has 24 months to meet all requirements to receive compensation pursuant to this Tariff.

The Applicant is required to complete and update, as appropriate, the Application information for the Project, including but not limited to: the Project owner, the Customer, the Bill Credit Recipient, the recipient of Performance-Based Incentive Payments, the total cost of the project, indication of whether the system is a “self-install” by the Customer/Project Owner, proof of completed mandatory training from the Rhode Island Office of Energy Resources if the system is a “self-install”, and both the General Contractor registration number and the Electrician license number of the entities constructing the project. Upon application, the appropriate Consumer Disclosure or Self-Installer Disclosure form must also be accurately completed and submitted, for the application to be deemed complete. Also, an Applicant may designate a successor Applicant for the Project. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of the Project comply with the terms of the Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

2. **Definitions**

The following words and terms shall have the following meanings when used in this Tariff:

- a. Applicant: the person or entity with legal authority to enroll the Project in the RE Growth Program, and with the obligation to ensure that all aspects of the Project comply with the Rules and Tariff.
- b. Application: the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. Bill Credit: a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to on-site use subject to the eligibility requirements and provisions of Section 6.
- d. Bill Credit Recipient: a customer receiving retail delivery service pursuant to Rate A-16 or Rate A-60, and who is eligible to receive Bill Credits from a Shared Solar Facility or Standard DG Project pursuant to the eligibility rules in Section 6. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any payment plans or other agreements with the Company, including but not limited to an interconnection service agreement. Bill Credit Recipients shall receive Bill Credits from a single DG Project.
- e. Board: the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. Certificate of Eligibility: written notice by the Company that a Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- g. Commission: the Rhode Island Public Utilities Commission.
- h. Company: The Narragansett Electric Company d/b/a National Grid.
- i. Customer: an electric customer receiving retail delivery service on either Basic Residential Rate A-16 or Low Income Rate A-60 and who is the customer of record at the location on which a Project is installed.

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- j. Customer Payment/Credit Transfer Form: a form submitted by the Applicant prior to the commercial operation date of the DG Project, which is updated periodically as necessary, and contains all required information to process monthly Performance-Based Incentive Payments and Bill Credits.
- k. Nameplate Capacity: the total rated power output of all the Project's panels, measured in direct current.
- l. On-Site Use: the amount of energy used at a Customer's service location during a billing period that may be delivered by the Company, or supplied by the Project, or both.
- m. Performance-Based Incentive: the standard price per kilowatt-hour ("kWh") recommended by the Board and approved by the Commission that is applicable to the output of a Project when the Applicant has been awarded a Certificate of Eligibility pursuant to the Solicitation and Enrollment Process Rules.
- n. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- o. Project: a solar photovoltaic electricity generating facility that meets the eligibility requirements of the Rules and this Tariff, that is located in the Company's service territory, and that is interconnected with the Company's electric distribution system at a residential service location.
- p. Renewable Energy Certificate ("REC"): an electronic record produced by the New England Power Pool Generation Information System ("NEPOOL-GIS") that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.
- q. Shared Solar Facility: a single Small-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 6. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
- r. SolarWise Program: available only through October 15, 2017, an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encouraged the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursued greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- s. Solicitation and Enrollment Process Rules for Small-Scale Solar Projects: the rules that govern the solicitation, enrollment, and award processes for the RE Growth Program

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

applicable to Customers, established pursuant to Chapter 26.6, and approved by the Commission.

- t. Standard DG Project: a Project that is not classified as a Shared Solar Facility.

**3. Project Segmentation**

Rhode Island law prohibits project segmentation in the RE Growth Program. In no case may a project developer be allowed to segment a distributed generation project on the same parcel or contiguous parcels into smaller sized projects in order to fall under a smaller size project classification. Subject to the exceptions below, projects proposed by a developer on the same parcel or contiguous parcels will be presumed to have been segmented, and only one of the projects will be eligible for a Certificate of Eligibility. An Applicant may appeal the Company's decision to the Commission.

Before making its determination, the Company will look for one of the following exceptions to the prohibition on project segmentation:

- i. The Projects use different renewable energy resources; or
- ii. The Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one Project and the commencement of construction of any additional Project.
- iii. Projects on contiguous parcels or a single parcel will not be considered as segmented if they serve different Residential Customers.

If the Company determines that a Project is ineligible to enroll in the RE Growth Program due to project segmentation, such project may be eligible for compensation pursuant to the Net Metering Provision or through other energy market participation. Rhode Island law requires eligible Projects must not already be operating to participate in the RE Growth Program, therefore any Project receiving compensation pursuant to the Net Metering Provision is not eligible for the RE Growth Program. Furthermore, if an Applicant is awarded a Certificate of Eligibility for a Project and that Project is receiving Performance-Based Incentive Payments pursuant to this Tariff, the Project will not receive compensation pursuant to the Net Metering Provision for the same Project during the term of service specified in the applicable Tariff supplement.

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RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

**4. Metering**

- a. The Company shall install a Company-owned meter on all Projects for the purpose of measuring the output of the Project. The meter for the Project shall be wired in parallel with and be adjacent to the existing service meter, or in another location as approved by the Company pursuant with the Company's specifications and policies on metering.
- b. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain, and replace the meter(s).
- c. Energy storage systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter.

**5. Renewable Energy Certificates and Other Environmental Attributes**

For the term specified in the applicable Tariff supplement, the Company shall have the rights and title to the RECs and any other environmental attributes, as described below, or market products associated with the generation output of the Project. Pursuant to Chapter 26.6, the Customer shall retain title to all energy and capacity produced by the Project, shall be deemed to have consumed such energy and capacity on-site during the applicable billing period, and no sale of the Project's energy or capacity by the Customer to the Company shall be deemed to have occurred.

Prior to receiving compensation pursuant to Section 6 of this Tariff, an Applicant must cooperate with the Company to obtain Commission certification of a Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.

RECs must be delivered to the Company's appropriate NEPOOL-GIS account. This will be accomplished through registration of the Project with the NEPOOL-GIS. The Applicant shall provide all necessary information and cooperate with the Company to enable the Company to obtain the appropriate asset identification for reporting generation to the NEPOOL-GIS for the creation of RECs and direct all RECs from the Project to the Company's appropriate NEPOOL-GIS account. The Applicant will provide approvals or assignments, including, but not limited to, completing the REC

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Assignment and Aggregation Form to facilitate the Project's participation in asset aggregation or other model of asset registration and reporting.

Environmental attributes shall include any and all generation attributes or energy services as established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the Project during the term of service specified on the applicable Tariff supplement.

**6. Performance-Based Incentive Payment**

a. Eligibility

Upon receipt of a Certificate of Eligibility, the Applicant is entitled to the Performance-Based Incentive Payment for the term specified in the applicable Tariff supplement, provided that the Applicant has complied with all other requirements of this Tariff and the Rules.

As a condition for receiving monthly payments pursuant to Section 6.c, the Applicant must provide confirmation of the following: (1) the Company's written authority to interconnect to its electric distribution system and the Applicant's payment of all amounts due, as assessed by the Company; (2) Commission certification of the Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard and NEPOOL-GIS asset registration; as demonstrated by the Applicant's completion of the Renewable Energy Certificate Assignment and Aggregation Form; (3) a copy of the Project's approved State of Rhode Island Solar Permit or building permit, including the responsible Rhode Island General Contractor's Number and (4) the Bill Credit Recipient(s) associated electric service account is not in arrears and is current on any approved payment plan. Applicants who have applied for and received approval for a SolarWise Bonus Payment by October 1, 2017 must complete the requisite energy efficiency measures prior to receiving payment under this Tariff. If payments to an Applicant are suspended or withheld for any reason, up to 90 days of Performance Based Incentive payments and bill credits will be available to be paid once the suspension is cured; the value of all generation that occurred prior to 90 days of the cure will be forfeited.

b. Performance-Based Incentive

The Performance-Based Incentive shall be the Performance-Based Incentive that is recommended by the Board and approved by the Commission and will be a fixed per-kWh price for the term specified in the applicable Tariff supplement, and indicated on the Certificate of Eligibility provided to the Applicant.

If applicable, the Performance-Based Incentive may be adjusted to reflect SolarWise Bonus payments pursuant to Section 6.d.

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c. Performance-Based Incentive Payment

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive applied to the measured kWh produced by the Project and it shall be provided to the Applicant and/or to the Bill Credit Recipients in accordance with the rules below.

Applicants will be responsible for designating Bill Credit Recipient billing account(s) and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account. The following rules apply to the administration of Performance-Based Incentive Payments:

1) Bill Credit Recipients

- i. Standard DG Projects may designate only the Customer as the sole Bill Credit Recipient.
- ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
- iii. The Bill Credit Recipients of Standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcels of land as the Project. Properties that are separated by a public way will not be considered to be adjacent.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's Maximum Annual Limit defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the Maximum Annual Limit will be estimated initially. The Maximum Annual Limit may be requested to be reset once a total of three (3) years of billing history are available.
- iii. For Bill Credit Recipients enrolled in the Company's A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

Redlined Version

THE NARRAGANSETT ELECTRIC COMPANY  
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3) Calculation of Bill Credits Applicable to Bill Credit Recipients and Residual Cash Payments:

The Bill Credit Recipient's bill will be based upon the On-Site Use, the retail delivery service charges, and the ~~Standard Offer Last Resort~~ Service or Non-Regulated Power Producer charges in effect during the billing period and which applies to the Bill Credit Recipient's retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient's bill. The Bill Credit will appear as a separate line item on the Bill Credit Recipient's bill.

$$BC = \text{ALLOC} \times (DC + TC + \text{TrC} + \text{SOSLRS})$$

Where:

BC = Bill Credit

ALLOC = Bill Credit Recipient's allocated generated kWh as determined per Section 6.c.2).i.

DC = the distribution charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TC = the Transmission Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TrC = the Transition Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

~~SOSLRS~~ = the Residential ~~Standard Offer Last Resort~~ Service charge per RIPUC No. 2096, Summary of ~~Standard Offer Last Resort~~ Service Rates, as may be amended from time to time. For any facilities enrolled after April 1, 2020, the ~~standard offer Last Resort S~~service kilowatt-hour charge shall be net of the ~~R~~renewable ~~E~~energy ~~S~~standard charge or credit

The Performance-Based Incentive Payment less the sum of the Bill Credits for all Bill Credit Recipients will be paid in the form a check (or by other agreed-upon means) to the recipient as identified on the Application. The Bill Credit Recipient(s) will be responsible for paying any balance due on their individual electric bills in accordance with the Terms and Conditions for Distribution Service.

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, each Bill Credit Recipient shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable ~~Standard Offer Last Resort~~

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Service charge, excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipient(s) or the recipient identified on the Application.

d. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Tier by October 15, 2017 are eligible to receive SolarWise Bonus Payments. The PBI payments pursuant to Section 6.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the Customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

*Example: If a residential customer used an average of 10,000 kWh per year over the previous three years, and implemented energy savings of 2,000 kWh per year, the resulting SolarWise eligible system would be sized to produce no more than a maximum of 8,000 kWh in the course of a year. The maximum size of the customer's solar PV system (using a capacity factor of 14% for this example) would then decrease from 8.15 kW DC to 6.52 kW DC.*

*If a customer application included Excluded Technologies Adjustments, the system may be sized to include generation sufficient to power the eligible "Excluded Technologies." For example, if the customer example above also provided evidence of an electric vehicle in possession at the time of application that would consume 2,000 kWh per year, the eligible system size would increase to 8.15 kW, in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

THE NARRAGANSETT ELECTRIC COMPANY  
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**7. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service
- b. The Applicant is required to comply with the Company's Standards for Connecting Distributed Generation. Any application by applicants for Projects seeking to qualify for the Small-Scale Solar class for interconnection under the Standards for Connecting Distributed Generation that is not complete and accurate will be rejected by the Company, as allowed by the Standards for Connecting Distributed Generation, and the applicant will need to resubmit its application for interconnection and Certificate of Eligibility under this program as a new application.
- c. To be eligible to receive Renewable Net Metering Credits and Excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, the Project and the Customer must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of all costs it incurs to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.
- e. By participating in the Renewable Energy Growth Program and accepting a Certificate of Eligibility, all enrolled facilities shall be made available for inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection with full access to the facility within 90 days from the date of the Office of Energy Resources' request for inspection will result in suspension of PBI payments until cured and may result in termination of the Certificate of Eligibility after 180 days from the date of the Office of Energy Resources' request for inspection.

**8. Dispute Resolution**

If any dispute arises between the Company and either the Applicant or the Customer, the dispute shall be brought before the Commission for resolution. Such disputes may include but are not limited to those concerning the Rules, terms, conditions, rights, responsibilities, the termination of the Tariff or Tariff supplement, or the performance of the Applicant, the Customer, or the Company.

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

**9. Termination**

The Applicant and the Customer shall comply with the provisions of this Tariff through the end of the term specified in the applicable Tariff supplement. The Applicant and the Customer may not terminate their obligations under this Tariff unless and until the Company consents to such termination. The Company will not unreasonably delay or withhold its consent to an Applicant's request to terminate if the Applicant cannot fulfill the obligations because of an event or circumstance that is beyond the Applicant's reasonable control and for which the Applicant could not prevent or provide against by using commercially reasonable efforts.

Only the Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, the Company may revoke the Certificate of Eligibility.

The Customer and Applicant are required to comply with this Tariff. If the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, or the provisions of any other applicable Company tariffs or applicable rules, regulations, or laws, the Company may revoke the Customer or Applicant's Certificate of Eligibility.

If the Customer is installing an additional facility under this tariff or the Net Metering Provision, the Company may allow the initial DG Project enrolled under this tariff to be transferred to enrollment under the Non-Residential Tariff for any term remaining under the initial tariff on a new non-residential customer account, or enroll the new facility under the Non-Residential Tariff. The limitations on DG Project sizing under Section 1 will apply to the combined systems, and all other considerations of this tariff or the Non-Residential Tariff would still apply respectively.

**10. Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws § 39-26.6-10. The Company will file Tariff supplements and all revisions to this Tariff annually by November 15. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2015 through March 31, 2016

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2017 through March 31, 2018

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	34.75¢	36.49¢	38.23¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	30.85¢	32.39¢	33.94¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	27.05¢	n/a	n/a	27.59¢	28.13¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.05¢	n/a	n/a	24.53¢	25.01¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2017 through March 31, 2018

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar II	11 to 25 kW	27.75¢	29.14¢	30.53¢	n/a	n/a	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	27.75¢	n/a	n/a	28.31¢	28.86¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2018 through March 31, 2019

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	28.55¢	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.55¢	20 years
Small-Scale Solar II	11 to 25 kW	29.45¢	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	29.45¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

Redlined Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2019 through March 31, 2020

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	28.45¢	15 years
Small-Scale Solar I	1 to 10 kW	24.95¢	20 years
Small-Scale Solar II	11 to 25 kW	27.65¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

Redlined Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2020 through March 31, 2021

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	29.65¢	15 years
Small-Scale Solar II	11 to 25 kW	23.45¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

**Redlined Version**

Seventh Tariff Supplement to RIPUC No. 2151-H  
Sheet 1

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

<u>Renewable Energy Class</u>	<u>System Size</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh)</u>	<u>Term of Service</u>
<u>Small-Scale Solar I</u>	<u>1 to 15 kW DC</u>	<u>29.95¢</u>	<u>15 years</u>
<u>Small-Scale Solar II</u>	<u>16 to 25 kW DC</u>	<u>25.85¢</u>	<u>20 years</u>

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS**1. Introduction**

This tariff (“Tariff”) describes the terms and conditions under which an Applicant for a solar electricity generating facility (“Residential Small-Scale Solar Project” or “Project”) will receive funding pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (“Chapter 26.6”), which refers to the Renewable Energy Growth Program (“RE Growth Program”).

This Tariff will apply to an Applicant who has installed a Project with a nameplate capacity of up to and including 25 kilowatts at a Customer’s service location, or a Project with a nameplate capacity up to 250 kW that is operating as a Shared Solar Facility. The Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the aggregate On-Site Use of the Residential Customer and the Bill Credit Recipient(s), if applicable, as measured over the previous three (3) years at the eligible electric service account(s) located on the same parcel of land as the Residential Customer’s service location; 2) the aggregate annualized On-Site Use over the period of service to the Residential Customer and Bill Credit Recipient(s) if such service has been provided for less than three years; or 3) a reasonable estimate of the aggregate annual On-Site Use of the Customer and the Bill Credit Recipient(s) if the Project is located at a new service location. The Applicant and the Customer for the Project may be the same person, or different persons, subject to the eligibility standards in the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects (“Rules”) and this Tariff.

This Tariff applies to the Applicant for a Project that is awarded a Certificate of Eligibility pursuant to the Rules, and any successor Applicant for the Project. Upon being awarded a Certificate of Eligibility, a Project has 24 months to meet all requirements to receive compensation pursuant to this Tariff.

The Applicant is required to complete and update, as appropriate, the Application information for the Project, including but not limited to: the Project owner, the Customer, the Bill Credit Recipient, the recipient of Performance-Based Incentive Payments, the total cost of the project, indication of whether the system is a “self-install” by the Customer/Project Owner, proof of completed mandatory training from the Rhode Island Office of Energy Resources if the system is a “self-install”, and both the General Contractor registration number and the Electrician license number of the entities constructing the project. Upon application, the appropriate Consumer Disclosure or Self-Installer Disclosure form must also be accurately completed and submitted, for the application to be deemed complete. Also, an Applicant may designate a successor Applicant for the Project. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of the Project comply with the terms of the Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

2. **Definitions**

The following words and terms shall have the following meanings when used in this Tariff:

- a. **Applicant:** the person or entity with legal authority to enroll the Project in the RE Growth Program, and with the obligation to ensure that all aspects of the Project comply with the Rules and Tariff.
- b. **Application:** the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. **Bill Credit:** a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to on-site use subject to the eligibility requirements and provisions of Section 6.
- d. **Bill Credit Recipient:** a customer receiving retail delivery service pursuant to Rate A-16 or Rate A-60, and who is eligible to receive Bill Credits from a Shared Solar Facility or Standard DG Project pursuant to the eligibility rules in Section 6. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any payment plans or other agreements with the Company, including but not limited to an interconnection service agreement. Bill Credit Recipients shall receive Bill Credits from a single DG Project.
- e. **Board:** the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. **Certificate of Eligibility:** written notice by the Company that a Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- g. **Commission:** the Rhode Island Public Utilities Commission.
- h. **Company:** The Narragansett Electric Company d/b/a National Grid.
- i. **Customer:** an electric customer receiving retail delivery service on either Basic Residential Rate A-16 or Low Income Rate A-60 and who is the customer of record at the location on which a Project is installed.

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- j. Customer Payment/Credit Transfer Form: a form submitted by the Applicant prior to the commercial operation date of the DG Project, which is updated periodically as necessary, and contains all required information to process monthly Performance-Based Incentive Payments and Bill Credits.
- k. Nameplate Capacity: the total rated power output of all the Project's panels, measured in direct current.
- l. On-Site Use: the amount of energy used at a Customer's service location during a billing period that may be delivered by the Company, or supplied by the Project, or both.
- m. Performance-Based Incentive: the standard price per kilowatt-hour ("kWh") recommended by the Board and approved by the Commission that is applicable to the output of a Project when the Applicant has been awarded a Certificate of Eligibility pursuant to the Solicitation and Enrollment Process Rules.
- n. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- o. Project: a solar photovoltaic electricity generating facility that meets the eligibility requirements of the Rules and this Tariff, that is located in the Company's service territory, and that is interconnected with the Company's electric distribution system at a residential service location.
- p. Renewable Energy Certificate ("REC"): an electronic record produced by the New England Power Pool Generation Information System ("NEPOOL-GIS") that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.
- q. Shared Solar Facility: a single Small-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 6. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
- r. SolarWise Program: available only through October 15, 2017, an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encouraged the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursued greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- s. Solicitation and Enrollment Process Rules for Small-Scale Solar Projects: the rules that govern the solicitation, enrollment, and award processes for the RE Growth Program

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applicable to Customers, established pursuant to Chapter 26.6, and approved by the Commission.

- t. Standard DG Project: a Project that is not classified as a Shared Solar Facility.

### 3. Project Segmentation

Rhode Island law prohibits project segmentation in the RE Growth Program. In no case may a project developer be allowed to segment a distributed generation project on the same parcel or contiguous parcels into smaller sized projects in order to fall under a smaller size project classification. Subject to the exceptions below, projects proposed by a developer on the same parcel or contiguous parcels will be presumed to have been segmented, and only one of the projects will be eligible for a Certificate of Eligibility. An Applicant may appeal the Company's decision to the Commission.

Before making its determination, the Company will look for one of the following exceptions to the prohibition on project segmentation:

- i. The Projects use different renewable energy resources; or
- ii. The Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one Project and the commencement of construction of any additional Project.
- iii. Projects on contiguous parcels or a single parcel will not be considered as segmented if they serve different Residential Customers.

If the Company determines that a Project is ineligible to enroll in the RE Growth Program due to project segmentation, such project may be eligible for compensation pursuant to the Net Metering Provision or through other energy market participation. Rhode Island law requires eligible Projects must not already be operating to participate in the RE Growth Program, therefore any Project receiving compensation pursuant to the Net Metering Provision is not eligible for the RE Growth Program. Furthermore, if an Applicant is awarded a Certificate of Eligibility for a Project and that Project is receiving Performance-Based Incentive Payments pursuant to this Tariff, the Project will not receive compensation pursuant to the Net Metering Provision for the same Project during the term of service specified in the applicable Tariff supplement.

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**4. Metering**

- a. The Company shall install a Company-owned meter on all Projects for the purpose of measuring the output of the Project. The meter for the Project shall be wired in parallel with and be adjacent to the existing service meter, or in another location as approved by the Company pursuant with the Company's specifications and policies on metering.
- b. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain, and replace the meter(s).
- c. Energy storage systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter.

**5. Renewable Energy Certificates and Other Environmental Attributes**

For the term specified in the applicable Tariff supplement, the Company shall have the rights and title to the RECs and any other environmental attributes, as described below, or market products associated with the generation output of the Project. Pursuant to Chapter 26.6, the Customer shall retain title to all energy and capacity produced by the Project, shall be deemed to have consumed such energy and capacity on-site during the applicable billing period, and no sale of the Project's energy or capacity by the Customer to the Company shall be deemed to have occurred.

Prior to receiving compensation pursuant to Section 6 of this Tariff, an Applicant must cooperate with the Company to obtain Commission certification of a Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.

RECs must be delivered to the Company's appropriate NEPOOL-GIS account. This will be accomplished through registration of the Project with the NEPOOL-GIS. The Applicant shall provide all necessary information and cooperate with the Company to enable the Company to obtain the appropriate asset identification for reporting generation to the NEPOOL-GIS for the creation of RECs and direct all RECs from the Project to the Company's appropriate NEPOOL-GIS account. The Applicant will provide approvals or assignments, including, but not limited to, completing the REC

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Assignment and Aggregation Form to facilitate the Project's participation in asset aggregation or other model of asset registration and reporting.

Environmental attributes shall include any and all generation attributes or energy services as established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the Project during the term of service specified on the applicable Tariff supplement.

**6. Performance-Based Incentive Payment**

a. Eligibility

Upon receipt of a Certificate of Eligibility, the Applicant is entitled to the Performance-Based Incentive Payment for the term specified in the applicable Tariff supplement, provided that the Applicant has complied with all other requirements of this Tariff and the Rules.

As a condition for receiving monthly payments pursuant to Section 6.c, the Applicant must provide confirmation of the following: (1) the Company's written authority to interconnect to its electric distribution system and the Applicant's payment of all amounts due, as assessed by the Company; (2) Commission certification of the Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard and NEPOOL-GIS asset registration; as demonstrated by the Applicant's completion of the Renewable Energy Certificate Assignment and Aggregation Form; (3) a copy of the Project's approved State of Rhode Island Solar Permit or building permit, including the responsible Rhode Island General Contractor's Number and (4) the Bill Credit Recipient(s) associated electric service account is not in arrears and is current on any approved payment plan. Applicants who have applied for and received approval for a SolarWise Bonus Payment by October 1, 2017 must complete the requisite energy efficiency measures prior to receiving payment under this Tariff. If payments to an Applicant are suspended or withheld for any reason, up to 90 days of Performance Based Incentive payments and bill credits will be available to be paid once the suspension is cured; the value of all generation that occurred prior to 90 days of the cure will be forfeited.

b. Performance-Based Incentive

The Performance-Based Incentive shall be the Performance-Based Incentive that is recommended by the Board and approved by the Commission and will be a fixed per-kWh price for the term specified in the applicable Tariff supplement, and indicated on the Certificate of Eligibility provided to the Applicant.

If applicable, the Performance-Based Incentive may be adjusted to reflect SolarWise Bonus payments pursuant to Section 6.d.

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## c. Performance-Based Incentive Payment

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive applied to the measured kWh produced by the Project and it shall be provided to the Applicant and/or to the Bill Credit Recipients in accordance with the rules below.

Applicants will be responsible for designating Bill Credit Recipient billing account(s) and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account. The following rules apply to the administration of Performance-Based Incentive Payments:

## 1) Bill Credit Recipients

- i. Standard DG Projects may designate only the Customer as the sole Bill Credit Recipient.
- ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
- iii. The Bill Credit Recipients of Standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcels of land as the Project. Properties that are separated by a public way will not be considered to be adjacent.

## 2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's Maximum Annual Limit defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the Maximum Annual Limit will be estimated initially. The Maximum Annual Limit may be requested to be reset once a total of three (3) years of billing history are available.
- iii. For Bill Credit Recipients enrolled in the Company's A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

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RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

3) Calculation of Bill Credits Applicable to Bill Credit Recipients and Residual Cash Payments:

The Bill Credit Recipient’s bill will be based upon the On-Site Use, the retail delivery service charges, and the Last Resort Service or Non-Regulated Power Producer charges in effect during the billing period and which applies to the Bill Credit Recipient’s retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient’s bill. The Bill Credit will appear as a separate line item on the Bill Credit Recipient’s bill.

BC = ALLOC x (DC + TC + TrC +LRS)

Where:

BC = Bill Credit

ALLOC = Bill Credit Recipient’s allocated generated kWh as determined per Section 6.c.2).i.

DC = the distribution charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TC = the Transmission Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TrC = the Transition Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

LRS = the Residential Last Resort Service charge per RIPUC No. 2096, Summary of Last Resort Service Rates, as may be amended from time to time. For any facilities enrolled after April 1, 2020, the Last Resort Service kilowatt-hour charge shall be net of the Renewable Energy Standard charge or credit

The Performance-Based Incentive Payment less the sum of the Bill Credits for all Bill Credit Recipients will be paid in the form a check (or by other agreed-upon means) to the recipient as identified on the Application. The Bill Credit Recipient(s) will be responsible for paying any balance due on their individual electric bills in accordance with the Terms and Conditions for Distribution Service.

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, each Bill Credit Recipient shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable Last Resort Service charge,

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RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipient(s) or the recipient identified on the Application.

d. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Tier by October 15, 2017 are eligible to receive SolarWise Bonus Payments. The PBI payments pursuant to Section 6.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the Customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

*Example: If a residential customer used an average of 10,000 kWh per year over the previous three years, and implemented energy savings of 2,000 kWh per year, the resulting SolarWise eligible system would be sized to produce no more than a maximum of 8,000 kWh in the course of a year. The maximum size of the customer's solar PV system (using a capacity factor of 14% for this example) would then decrease from 8.15 kW DC to 6.52 kW DC.*

*If a customer application included Excluded Technologies Adjustments, the system may be sized to include generation sufficient to power the eligible "Excluded Technologies." For example, if the customer example above also provided evidence of an electric vehicle in possession at the time of application that would consume 2,000 kWh per year, the eligible system size would increase to 8.15 kW, in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

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**7. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service
- b. The Applicant is required to comply with the Company's Standards for Connecting Distributed Generation. Any application by applicants for Projects seeking to qualify for the Small-Scale Solar class for interconnection under the Standards for Connecting Distributed Generation that is not complete and accurate will be rejected by the Company, as allowed by the Standards for Connecting Distributed Generation, and the applicant will need to resubmit its application for interconnection and Certificate of Eligibility under this program as a new application.
- c. To be eligible to receive Renewable Net Metering Credits and Excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, the Project and the Customer must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of all costs it incurs to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.
- e. By participating in the Renewable Energy Growth Program and accepting a Certificate of Eligibility, all enrolled facilities shall be made available for inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection with full access to the facility within 90 days from the date of the Office of Energy Resources' request for inspection will result in suspension of PBI payments until cured and may result in termination of the Certificate of Eligibility after 180 days from the date of the Office of Energy Resources' request for inspection.

**8. Dispute Resolution**

If any dispute arises between the Company and either the Applicant or the Customer, the dispute shall be brought before the Commission for resolution. Such disputes may include but are not limited to those concerning the Rules, terms, conditions, rights, responsibilities, the termination of the Tariff or Tariff supplement, or the performance of the Applicant, the Customer, or the Company.

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RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

**9. Termination**

The Applicant and the Customer shall comply with the provisions of this Tariff through the end of the term specified in the applicable Tariff supplement. The Applicant and the Customer may not terminate their obligations under this Tariff unless and until the Company consents to such termination. The Company will not unreasonably delay or withhold its consent to an Applicant's request to terminate if the Applicant cannot fulfill the obligations because of an event or circumstance that is beyond the Applicant's reasonable control and for which the Applicant could not prevent or provide against by using commercially reasonable efforts.

Only the Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, the Company may revoke the Certificate of Eligibility.

The Customer and Applicant are required to comply with this Tariff. If the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, or the provisions of any other applicable Company tariffs or applicable rules, regulations, or laws, the Company may revoke the Customer or Applicant's Certificate of Eligibility.

If the Customer is installing an additional facility under this tariff or the Net Metering Provision, the Company may allow the initial DG Project enrolled under this tariff to be transferred to enrollment under the Non-Residential Tariff for any term remaining under the initial tariff on a new non-residential customer account, or enroll the new facility under the Non-Residential Tariff. The limitations on DG Project sizing under Section 1 will apply to the combined systems, and all other considerations of this tariff or the Non-Residential Tariff would still apply respectively.

**10. Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws § 39-26.6-10. The Company will file Tariff supplements and all revisions to this Tariff annually by November 15. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2015 through March 31, 2016

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2017 through March 31, 2018

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	34.75¢	36.49¢	38.23¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	30.85¢	32.39¢	33.94¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	27.05¢	n/a	n/a	27.59¢	28.13¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.05¢	n/a	n/a	24.53¢	25.01¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2017 through March 31, 2018

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase (1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase (1)	Term of Service
Small-Scale Solar II	11 to 25 kW	27.75¢	29.14¢	30.53¢	n/a	n/a	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	27.75¢	n/a	n/a	28.31¢	28.86¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2018 through March 31, 2019

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	28.55¢	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.55¢	20 years
Small-Scale Solar II	11 to 25 kW	29.45¢	20 years
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	29.45¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2019 through March 31, 2020

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	28.45¢	15 years
Small-Scale Solar I	1 to 10 kW	24.95¢	20 years
Small-Scale Solar II	11 to 25 kW	27.65¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2020 through March 31, 2021

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	29.65¢	15 years
Small-Scale Solar II	11 to 25 kW	23.45¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Residential Customers  
Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual Project, and the Term of Service for a particular Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 15 kW DC	29.95¢	15 years
Small-Scale Solar II	16 to 25 kW DC	25.85¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small Scale Standard DG Projects.

\*\*Note: All ceiling prices are assumed to include all eligible federal incentives.



THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR NON-RESIDENTIAL CUSTOMERS

1. **Introduction**

This tariff (“Tariff”) describes the terms and conditions under which an Applicant for an eligible distributed generation project (“DG Project”) will receive funding pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (“Chapter 26.6”), which refers to the Renewable Energy Growth Program (“RE Growth Program”).

This Tariff will apply to an Applicant who has installed a DG Project at a Non-Residential Customer’s service location or another location that allows for interconnection to the Company’s electric distribution system. For this purpose, a Non-Residential Customer (“Customer”) is defined as a customer receiving retail delivery service on any rate schedule other than the Company’s residential rate schedules (Basic Residential Rate A-16 and Low Income Rate A-60). This Tariff will also apply to a DG Project that does not provide On-Site Use to a Customer receiving retail delivery service from the Company. The Applicant and the Customer may be the same person, or different persons, subject to the eligibility standards in the Solicitation and Enrollment Process Rules (“Rules”) and this Tariff.

This Tariff applies to the Applicant for a DG Project that is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules, and any successor Applicant for the Project. Upon being awarded a Certificate of Eligibility, a DG Project has a defined period to meet all requirements to receive compensation pursuant to this Tariff, which is: (1) 48 months for a Small DG Project using hydropower; (2) 36 months for a Project using anaerobic digestion; or (3) 24 months for a Project using another eligible technology.

The Applicant is required to update the Application information for the DG Project, including but not limited to information concerning: the DG Project owner, the Customer, the Bill Credit Recipient(s), the recipient of Performance-Based Incentive Payments, the total cost of the project, indication of whether the system is a “self-install” by the Customer/Project Owner, proof of completed mandatory training from the Rhode Island Office of Energy Resources if the system is a “self-install”, and both the General Contractor registration number and the Electrician license number of the entities constructing the project. Also, an Applicant may designate a successor Applicant for a DG Project under this Tariff with notice to the Company and without the consent of the Company. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the DG Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of a DG Project comply with the terms of the Company’s Solicitation and Enrollment Process Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

2. **Definitions**

The following words and terms shall have the following meanings when used in this Tariff:

- a. Applicant: the person or entity with legal authority to enroll the DG Project in the RE Growth program, and with the obligation to ensure that all aspects of the DG Project comply with the Rules.

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- b. Application: the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. Bill Credit: means a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to On-Site Use subject to the eligibility requirements and provisions of Section 8.
- d. Bill Credit Recipient: a Customer, as defined below, who is eligible to receive Bill Credits from a Community Remote Distributed Generation System, a Shared Solar Facility, or Standard DG Project pursuant to the eligibility rules in Section 8., or a person or entity that is a customer of record and receiving Residential retail delivery service pursuant to one of the Company's residential retail delivery service rate schedules, who is eligible to receive credits from a Community Remote Distributed Generation System or a Shared Solar Facility. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any applicable electric service, payment plans or agreements, including but not limited to meeting all obligations under an interconnection service agreement. Bill Credit Recipients shall receive Bill Credits from a single DG Project.
- e. Board: the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. Ceiling Price: the bidding price cap applicable to an enrollment in a given Renewable Energy Class and Program Year. Ceiling prices will be recommended by the Board and approved by the Commission.
- g. Certificate of Eligibility: written notice by the Company or Commission that a DG Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a DG Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- h. Commercial-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 250 kilowatts (250 kW) but less than 1 megawatt (1 MW).
- i. Commission: the Rhode Island Public Utilities Commission.
- j. Community Remote Distributed Generation System: a distributed generation facility with a nameplate capacity greater than two hundred fifty kilowatts (250 kW) and which allocates Bill Credits for each kilowatt-hour (kWh) generated to a minimum of three (3) eligible recipient customer accounts pursuant to the rules specified in Section 8. The Community Remote Distributed Generation System may be owned by the same entity that is the Applicant, the Customer, or another party.
- k. Company: The Narragansett Electric Company d/b/a National Grid.

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- l. Customer: a person or entity that is receiving retail delivery service pursuant to one of the Company's non-residential retail delivery service rate schedules for a single location having an electric service billing account, and the person or entity is listed as the customer-of-record on the billing account associated with the service location. If the person or entity has more than one account as the Customer-of-record, each account service location will be considered as a separate Customer. The Customer may be the Applicant, a Bill Credit Recipient or a third party.
- m. Customer Payment/Credit Transfer Form: means a form submitted by the Applicant prior to the commercial operation date of the DG Project, and updated periodically as necessary, containing all required information necessary to process monthly Performance-Based Incentive Payments and Bill Credits.
- n. DG Project: a distinct installation of an electrical generation facility that is located in the Company's service territory, is connected to the Company's electric distribution system, and has a nameplate capacity no greater than five megawatts (5 MW) using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels.
- o. ISO-New England, Inc. ("ISO-NE"): the Independent System Operators of New England, Inc., established in accordance with the NEPOOL Agreement and applicable Federal Energy Regulatory Commission approvals, which is responsible for managing the bulk power generation and transmission systems in New England.
- p. Large DG Project: a DG Project with a nameplate capacity that exceeds the size of a Small DG Project in a given year but is no greater than five megawatts (5 MW) nameplate capacity.
- q. Large-Scale Solar Project: a solar DG Project with a nameplate capacity of one megawatt (1 MW) or greater and up to and including five megawatts (5 MW).
- r. Low Income CRDG Customer: A Bill Credit Recipient enrolled with a Community Remote Distributed Generation facility to receive bill credits who is served on the Company's A-60 Residential Rate.
- ~~r.s.~~ Low-Income Discount: the discount provided to a customer receiving delivery service on the Low-Income Rate A-60 pursuant to the terms of the Low-Income Rate A-60 tariff.
- ~~s.t.~~ Medium-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 25 kilowatts (25 kW) and up to and including 250 kilowatts (250 kW).
- ~~t.u.~~ Nameplate Capacity: the maximum rated output or gross output of a DG Project. For a solar DG Project, it is the total rated power output of all the DG Project's panels, measured in direct current.

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~~u-v.~~ Office: the Rhode Island Office of Energy Resources.

~~v-w.~~ On-Site Use: the amount of energy used at a Customer or Bill Credit Recipient service location during a billing period that may be delivered by the Company, or supplied by the DG Project, or both.

~~w-x.~~ Output Certification: certification provided by an independent engineer (licensed Professional Engineer) stating that construction of both the DG Project and the interconnection facilities is complete in all material respects, that the metering has been installed and tested, that the Nameplate Capacity is as on the Certificate of Eligibility, and that the DG Project is capable of producing at least 90% of the maximum hourly output specified on the Certificate of Eligibility.

~~x-y.~~ Performance-Based Incentive: either a standard or competitively bid price per kilowatt-hour (“kWh”) that is applicable to the output of a DG Project when the Applicant has been awarded a Certificate of Eligibility, pursuant to the Rules.

~~y-z.~~ Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.

~~z-aa.~~ Renewable Energy Classes: categories for different renewable energy technologies using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels specified in § 39-26-2(6).

~~aa-bb.~~ Renewable Energy Certificate (“REC”): an electronic record produced by the New England Power Pool Generation Information System (“NEPOOL-GIS”) that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.

~~bb-cc.~~ Shared Solar Facility: a single Small-Scale or Medium-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 8. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.

~~cc-dd.~~ Small-Scale Solar Project: a solar DG Project with a nameplate capacity of up to and including 25 kilowatts (25 kW).

~~dd-ee.~~ Small DG Project: either: (1) a Small-Scale Solar Project; (2) a Medium-Scale Solar Project; (3) a wind DG Project with a nameplate capacity of at least fifty kilowatts (50 kW) up to one and one-half megawatts (1.5 MW); or (4) a DG Project using renewable energy resources other than solar and wind, with a nameplate capacity to be determined by the Board, but no greater than one megawatt (1 MW).

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- ~~ee~~ff. Solar Carport: The portion of the direct current (DC) nameplate capacity of a Solar DG Project that is installed above a permeable and/or non-permeable existing or new parking area and associated access and walkway areas (as recognized by the local municipal building and/or zoning department), which is installed in a manner that maintains the function of the area beneath the structure, and is continued to be used or available for use for such purposes for the term of enrollment in this tariff.
- ~~ff~~gg. SolarWise Program: available only through October 15, 2017, an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encouraged the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursued greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- ~~gg~~hh. Solicitation and Enrollment Process Rules: the rules governing the solicitation, enrollment, and award processes for the RE Growth Program for Non-Residential Customers, established pursuant to Chapter 26.6, and approved by the Commission.
- ~~hh~~ii. Standard DG Project: a project that is not classified as either a Shared Solar Facility or a Community Remote Distributed Generation System.
- ~~ii~~jj. Station Service: energy used to operate auxiliary equipment and other load that is directly related to the production of energy by a DG Project.

3. **Performance Guarantee Deposit**

- a. No later than five (5) business days after a project is offered a Certificate of Eligibility, the Applicant shall submit by wire transfer a Performance Guarantee Deposit (“Deposit”) as identified on the Certificate of Eligibility. Upon confirmation of the receipt of the Deposit, the Company shall award the Certificate of Eligibility. Each Deposit shall be no less than \$500.00 and no greater than \$75,000.00. The Deposit shall be calculated as \$15.00 for Small DG Projects or \$25.00 for Large DG Projects, multiplied by the estimated RECs to be generated during the DG Project’s first year of operation.
- b. If the Company does not receive a Deposit by the date required, the Company may withdraw the Certificate of Eligibility offer and not proceed further with the Applicant in that enrollment.
- c. The Deposit shall be refunded to the Applicant during the first year of the DG Project’s operation, paid quarterly. In the event that the Applicant terminates the DG Project prior to operation, the Deposit will be forfeited.

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- d. After receiving the Certificate of Eligibility, the Applicant must provide the Output Certification within: (1) 48 months for Small DG Projects using hydropower; (2) 36 months for anaerobic digestion; or (3) 24 months for all other DG Projects. If the Output Certification is not received within the specified timeframe, the Certificate of Eligibility will be voided and the Deposit will be forfeited.
- e. Once a DG Project has provided the Output Certification to National Grid, the project then has 90 days to meet all other requirements specified in Section 8(a) to receive payment pursuant to the Tariff.
- f. An Applicant may elect, for any reason, to extend the DG Project deadline for providing the Output Certification by an additional six (6) months with no additional Deposit. After such initial six-month extension, the Applicant may elect, for any reason, to extend Output Certification deadline for an additional six-month period by posting an additional Deposit amount equal to one-half of the original Deposit amount. An Applicant shall not extend the deadline to provide the Output Certification by more than one (1) year in total. Prior to the expiration of the timeframe applicable to the Applicant's DG Project, as specified herein Section 3(d) or as extended as provided for by Section 3(f), the Applicant must notify the Company of its election to extend the DG Project deadline.
- g. If the Applicant is unable to provide the Output Certification within the timeframe specified in Section 3(d), or as extended pursuant to Section 3(f), because of non-completion of the necessary system modifications on the Company's side of the meter or any other interconnection delays that are beyond the reasonable control of the Applicant, the deadline for providing the Output Certification will be extended until such time as the DG Project has received approval from the Company to interconnect to the Company's distribution system and begin production, with no additional deposit required.
- h. If an act of God occurs within the timeframe allowed for providing the Output Certification, and as a direct result of the act of God, the DG Project is incapable of providing the Output Certification within the timeframe prescribed in this Tariff, the DG Project shall be terminated and the Deposit shall be refunded immediately.
- i. Small-Scale Solar Projects and Medium-Scale Solar Projects are not required to submit a Performance Guarantee Deposit or provide an Output Certification. In order to receive Performance-Based Incentive payments under this Tariff, such projects will have 24 months after being awarded a Certificate of Eligibility to achieve operation at expected availability and capacity and meet all other requirements under this Tariff.

4. **Interconnection**

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- a. The interconnection of the DG Project with the Company's distribution system and any system modifications required by the Company shall be in accordance with the Standards for Connecting Distributed Generation and coordinated or delegated by the Applicant.
- b. Except for Small-Scale Solar Projects and Medium-Scale Solar Projects, all Applicants for DG Projects awarded a Certificate of Eligibility are required to submit quarterly reports to the Company and the Office reporting on the progress of construction. Failure to submit these reports may result in the loss of the Applicant's Certificate of Eligibility.

5. **Project Segmentation**

Rhode Island law prohibits project segmentation in the RE Growth Program. In no case may a project developer be allowed to segment a distributed generation project on the same parcel or contiguous parcels into smaller sized projects in order to fall under a smaller size project classification. Subject to the exceptions below, projects proposed by a developer on the same parcel or contiguous parcels will be presumed to have been segmented and only one of the projects will be eligible for a Certificate of Eligibility. An Applicant may appeal the Company's decision to the Commission.

Before making its determination, the Company will look for one of the following exceptions to the prohibition on project segmentation:

- i. The DG Projects use different renewable energy resources; or
- ii. The DG Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one DG Project and the commencement of construction of any additional DG Project.
- iii. DG Projects installed on contiguous parcels will not be considered segmented if they serve different Non-Residential Customers and both Customers receive bill credits under Option 2 as defined in Section 8.c.
- iv. If two or more projects are proposed on same or contiguous parcels and their combined nameplate capacity does not total to an amount that exceeds the class nameplate range of the enrollment class of the individual projects

If the Company determines that a DG Project is ineligible to enroll in the RE Growth Program due to project segmentation, such project may be eligible for compensation pursuant to the Net Metering Provision or through other energy market participation. Rhode Island law requires eligible Projects must not already be operating to participate in the RE Growth Program, therefore any Project receiving compensation pursuant to the Net Metering Provision is not eligible for the RE Growth Program. Furthermore, if an Applicant is awarded a Certificate of Eligibility for a DG Project and is receiving Performance-Based Incentive Payments pursuant to

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this Tariff it will not receive compensation pursuant to the Net Metering Provision for the same DG Project during the term specified in the applicable Tariff supplement.

6. **Metering**

- a. A Company-owned meter must be installed on all DG Projects that are enrolled in the RE Growth Program for the purpose of measuring and reporting the output of the DG Project. An interval meter will be installed on all projects greater than 25 kW in AC capacity. In the event that there is an existing service location with an existing meter, the meter for the DG Project shall be wired in parallel with, and be adjacent to, the existing service meter, or in another location as approved by the Company pursuant with the Company's specifications and polices on metering. In the event an existing service meter is present, the existing service meter will be exchanged for an interval meter by the Company at the Applicant's expense.
- b. For Medium-Scale Solar Projects, Commercial-Scale Solar Projects, Large-Scale Solar Projects, and DG Projects of other eligible technologies, the Applicant is responsible for the cost of a revenue-quality interval meter and associated metering equipment, including required remote communication for measuring and reporting the output of the DG Project as well as any existing service meter. An Applicant may elect to supply the meter and associated equipment provided that it conforms to the Company's metering standards and the Rhode Island Division of Public Utilities and Carriers ("Division") Rules for Prescribing Standards for Electric Utilities, as may be amended from time to time. At the request of the Applicant, the Company will provide the required interval meter and associated equipment, subject to the Company having such equipment available and the Applicant reimbursing the Company for its cost.
- c. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain and replace the meter(s), if applicable.
- d. Energy storage systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter.

7. **Energy, Capacity, Renewable Energy Certificates and Other Environmental Attributes**

- a. Prior to receiving compensation pursuant to Section 8 of this Tariff, an Applicant, at its own cost, must obtain Commission certification of a DG Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York,

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Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.

- b. For the term specified in the applicable Tariff supplement, the Company shall have the irrevocable rights and title to the following products produced by the DG Project: (1) RECs; (2) energy; and (3) any other environmental attributes or market products associated with the sale of energy or energy services produced by the DG Project, provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project at any time after it is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules. Environmental attributes shall include any and all generation attributes or energy services established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the DG Project during the term of service specified on the applicable Tariff supplement.

- (1) RECs: RECs must be delivered to the Company's appropriate NEPOOL-GIS account. This will be accomplished through registration of the DG Project with the NEPOOL-GIS. If requested by the Company, Applicant will provide approvals or assignments, as necessary, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

Small-Scale Solar Projects shall provide all necessary information to, and cooperate with, the Company to enable the Company to obtain the appropriate asset identification for reporting generation to the NEPOOL-GIS for the creation of RECs and direct all RECs from the DG Project to the Company's appropriate NEPOOL-GIS account. The Applicant will provide approvals or assignments, including, but not limited to, completing the Renewable Energy Certificate Assignment and Aggregation Form, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

- (2) Energy: Except for Small-Scale Solar Projects, energy must be delivered to the Company in the Company's ISO-NE load zone at the delivery node associated with the DG Project. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary generation asset.
- (3) Capacity: The Company may qualify the DG Project as an Existing Capacity Resource in the Forward Capacity Market ("FCM") after the Commercial Operation Date to participate in the FCM, as determined by the Company, in consultation with the Division. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary capacity asset Applicants are required to take

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commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

8. **Performance-Based Incentive Payment**

a. Eligibility

Upon receipt of a Certificate of Eligibility, the Applicant is entitled to the Performance-Based Incentive Payment for the term specified in the applicable Tariff supplement, provided that the Applicant has complied with all other requirements of this Tariff and the Solicitation and Enrollment Process Rules.

As a condition for receiving monthly payments pursuant to Section 9c, the Applicant must provide confirmation of the following: 1) the Company's written authority to interconnect to its electric distribution system and Applicant's payment of all amounts due; 2) Commission certification of the DG Project as an Eligible Renewable Energy Resource; 3) registration of the DG Project with the ISO-NE and NEPOOL GIS; 4) a copy of the Project's approved State of Rhode Island Solar Permit or building permit, including the responsible Rhode Island General Contractor's Number; and 5) except for small-scale and medium-scale solar, the Output Certification. Small-Scale Solar Projects can demonstrate completion of items 2 and 3 by the completion of the Renewable Energy Certificate Assignment and Aggregation Form. If an Applicant or Customer is no longer in good standing with regard to payment plans or agreements, if applicable, and other obligations to the Company (including but not limited to meeting all obligations under an interconnection service agreement), the Company may withhold payments under this Tariff. In addition, all Bill Credit Recipient(s) must remain in good standing with regard to the electric service account(s) receiving Bill Credits pursuant to this tariff, or the Company may withhold Bill Credits until such an account is again in good standing. If payments to an Applicant are suspended or withheld for any reason, up to 90 days of Performance Based Incentive payments and bill credits (if applicable) will be available to be paid once the suspension is cured; the value of all generation that occurred prior to 90 days of the cure will be forfeited.

b. Performance-Based Incentive

The Performance-Based Incentive will be a fixed per-kWh price for the term specified in the applicable Tariff supplement.

The Performance-Based Incentive for Small-Scale Solar shall be a standard Performance-Based Incentive that is recommended by the Board and approved by the Commission. The Performance-Based Incentive for other DG Projects shall be determined through competitive bidding.

If applicable, for any Customer who has applied for and received approval for a SolarWise Bonus Tier and has met all of the requirements to receive a SolarWise Bonus by October 15, 2017, the Performance-Based Incentive may be adjusted to reflect SolarWise Bonus payments pursuant to Section 8.e.

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Zonal Incentive: In addition to the Performance-Based Incentive, the Company may propose, and the Commission may approve, a zonal incentive, which is in addition to the Performance-Based Incentive for DG Projects that are: 1) located in designated geographic areas; or 2) comply with other specified conditions. Any Zonal Incentive shall be reflected in the applicable Tariff supplement.

Solar Carport Incentive: A Customer whose DG Project includes nameplate capacity that meets the definition as a Solar Carport will be eligible for the Solar Carport Incentive specified in the applicable Tariff supplement and will be included in the Performance Based Incentive amount for the specific DG Project. The Solar Carport Incentive amount will be calculated as follows:

$$SCI_{SCP} = SCCN_{SCP} \div PCN_{SCP} \times SCIR_{YEAR}$$

$$PBI_{SCP} = PBIB_{SCP} + SCI_{SCP}$$

Where:

$SCI_{SCP}$  = Solar Carport PBI Adder

$SCCN_{SCP}$  = Solar Carport Capacity Nameplate (kW DC)

$PCN_{SCP}$  = Project Capacity Nameplate (kW DC)

$SCIR_{YEAR}$  = Program Year Solar Carport Incentive Rate

SCP = Solar Carport Project

$PBI_{SCP}$  = Solar Carport Project PBI

$PBIB_{SCP}$  = Solar Carport Competitive Bid PBI

The SCI will be added to the competitively bid PBI of the specific project upon acceptance, and the total amount will be paid on all generation of the total DG Project and will be provided on the Customer’s Certificate of Eligibility. Any change in the DC nameplate rating of a Solar Carport portion of a project as built must be provided to the Company prior to Authority to Interconnect, and adjustments to the SCA will be reflected in the final Certificate of Eligibility provided to the Customer. No changes to the Solar Carport portion of the project are permitted after the project is operational.

Low-Income CRDG Incentive: A Customer whose CRDG project assigns a minimum of 20 percent of its Bill Credits to Low-Income CRDG Customers will be eligible for the Low Income CRDG Incentive specified in the applicable program year Tariff supplement for each kilowatt hour that is assigned to such qualifying customers. The minimum Bill Credit from the Low Income CRDG Incentive that must be transferred to the Low Income CRDG Customers, in addition to any minimum Bill Credit already required

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under this Tariff, will be two-thirds (2/3rds) of the value of the Low Income CRDG Incentive for the Program Year in which the project is enrolled. The eligibility of the CRDG project for this adder will be noted on its Certificate of Eligibility. If enrollment of Low Income CRDG Customers in such an eligible facility falls below 10 percent of its output over a program year, the project portion of the incentive will be withheld by the Company until enrollment is increased back to 20 percent of annual generation. All withheld amounts will be paid once the facility is in good standing with this provision.

The Low Income CRDG Incentive will be added to the competitively bid PBI of the specific project once it is operating, for each kilowatt hour credit delivered to Low Income CRDG Customers. The Customer (project owner) will not receive the Low Income CRDG Incentive for per kilowatt hour Bill Credits provided to other non-eligible customers.

c. Performance Based Incentive Payment for Standard DG Projects and Shared Solar.

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have been awarded a Certificate of Eligibility for a DG Project will receive Performance-Based Incentive Payments in accordance with the rules specified in this section. Except for Shared Solar Facilities, Applicants may choose to receive Performance-Based Incentive Payments in the form of either cash or a combination of cash and Bill Credits. Shared Solar Facilities will receive Performance-Based Incentive Payments as a combination of cash payments and Bill Credits. Applicants will be responsible for designating Bill Credit Recipient billing account(s), and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For DG Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

- 1) Bill Credit Recipients
  - i. Standard DG Projects are not required to designate a Bill Credit Recipient. However, if Standard DG Projects choose to designate a Bill Credit Recipient, they may designate only the Customer as the sole Bill Credit Recipient.
  - ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
  - iii. Shared Solar Bill Credit Recipients must be in the same customer class (i.e. Residential or Non-Residential) but may be in different retail delivery service rate classes.

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- iv. The Bill Credit Recipients of Standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcels of land as the DG Project. Properties that are separated by a public way will not be considered to be adjacent. Applicants who operate a Shared Solar Facility on behalf of a Public Entity may designate Bill Credit Recipients without regard to physical location so long as the Shared Solar Facility's and Bill Credit Recipient's points of service, which must all belong to the same municipality or public entity, are located within the same municipality.
- v. The Applicant may make changes to the Bill Credit Recipients of a Shared Solar facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.
- vi. For Bill Credit Recipients enrolled in the Company's A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's maximum annual limit, which is defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. A Bill Credit Recipient may request that the Company reset its three (3) year annual average use once three (3) years of billing history is available.

3) Calculation of Bill Credits Applicable to Bill Credit Recipients and Residual Cash Payments:

Before a DG Project begins to operate, an Applicant must notify the Company of the manner by which it will be compensated for its output under one of the two options below. Applicants with Shared Solar Facilities must select Option 2. Standard DG Projects may select Option 2 only if the DG Project can be configured to serve on-site load. If the Applicant selects Option 2, the DG Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Customer's On-Site Use or the aggregate On-site Use of all Bill Credit Recipients if the DG Project is a Shared Solar Facility, as measured over the previous three (3) years at the electric service account located at the Customer or Bill Credit Recipient's service location(s); 2) the annualized On-Site Use over the period of service to the Customer or Bill Credit Recipient's service location(s) if such service

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has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the DG Project is located at a new service location. The Applicant may change the selection only one time after the DG Project begins to operate provided that the Applicant gives the Company no less than 60 days' notice to implement the change. Additional changes to the method of compensation may be allowed at the discretion of the Company. The options are:

1. Option 1: Direct payment of the entire Performance-Based Incentive Payment in the form of a check or such other payment method that is mutually agreed upon by the Company and the Applicant; or
2. Option 2: A combination of direct payment and Bill Credit Recipient Bill Credits.

If the Applicant selects Option 2, the Performance-Based Incentive Payment shall be provided as follows:

The Bill Credit Recipient's bill will be based upon the On-Site Use, the retail delivery service charges and the ~~Standard Offer-Last Resort~~ Service or Non-Regulated Power Producer charges in effect during the billing period and which apply to the Bill Credit Recipient's retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient's bill. The Bill Credit will appear on the Bill Credit Recipient's bill separate from the charges for on-site use.

$$BC = \text{ALLOC (kWh)} \times (\text{DC} + \text{TC} + \text{TrC} + \text{~~SOSLRS~~})$$

Where:

BC = Bill Credit

ALLOC (kWh) = Bill Credit Recipient's allocated generated kWh as determined per Section 8.c.(2)(i).

DC = the distribution charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TC = the Transmission Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TrC = the Transition Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

~~SOSLRS~~ = the ~~Standard Offer-Last Resort~~ Service charge applicable to the Bill Credit Recipient's retail delivery service rate class per RIPUC No. 2096, Summary

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of ~~Standard Offer~~ Last Resort Service Rates, as may be amended from time to time, exclusive of the renewable energy standard charge or credit.

The Performance-Based Incentive Payment less the sum of the Bill Credits for all Bill Credit Recipients will be paid in the form a check (or another agreed-upon means) to the recipient as identified on the Application. The Bill Credit Recipients will be responsible for paying any balance due on the electric bill in accordance with the Terms and Conditions for Distribution Service.

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, the Bill Credit Recipients shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable ~~Standard Offer~~ Last Resort Service charges, excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipients or the recipient identified on the Application.

d. Performance-Based Incentive Payment for Community Remote Distributed Generation Systems

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have received a Certificate of Eligibility for a Community Remote Distributed Generation System will receive Performance-Based Incentive Payments in the form of Bill Credits applicable to a minimum of three (3) eligible Bill Credit Recipients and residual cash payments. Applicants will be responsible for designating Bill Credit Recipient billing accounts and other required information on the Customer Payment/Credit Transfer Form prior to the commercial operation date of the DG Project. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

1) Bill Credit Recipient Accounts

- i. No more than fifty percent (50%) of the kWh generated by the DG Project may be allocated to a single Bill Credit Recipient.
- ii. At least fifty percent (50%) of the kWh generated by the DG Project must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system.
- iii. Provided that the conditions specified in (i) and (ii) above have been met, there is no limit to the number of Bill Credit Recipients that may receive Bill Credits from the DG Project. However, the aggregate kWh transferred to Bill Credit Recipients during a 12-month period,

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- may not exceed the aggregate three (3) year average on site use of the Bill Credit Recipients. For Bill Credit Recipients that have less than three (3) years of actual on-site use, a projection of annual on-site use may be used until the actual three (3) year average on-site use becomes available for use in determining the number of eligible Bill Credit Recipients.
- iv. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Applicant must specify each Bill Credit Recipient's percentage share of the DG Project's output on the Customer Payment/Credit Transfer Form.
- ii. On a monthly basis, and in the aggregate, generated kWh may be allocated to Bill Credit Recipients up to the amount of available generated kWh.
- iii. Generated kWh available to allocate during a month is equal to the current month's generated kWh plus the cumulative generated kWh not allocated during prior months.
- iv. Allocation of generated kWh to Bill Credit Recipient accounts in any billing month will not exceed each individual Bill Credit Recipient's on-site use during that month.
- v. If available aggregate generated kWh is greater than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their monthly use, subject to the Bill Credit Recipient's annual maximum limit.
- vi. If available aggregate generated kWh is less than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their designated percentage share of generator output, subject to the Bill Credit Recipient's annual maximum limit.
- vii. Bill Credit Recipients will receive monthly kWh allocations as long as the cumulative annual allocation is less than the Bill Credit Recipient's maximum annual limit.
- viii. Each Bill Credit Recipient's maximum annual allocation limit will be that Bill Credit Recipient's three (3) year annual average on-site use. For Bill Credit Recipient accounts that have not established a three-year on-site usage history, the maximum annual allocation limit will be estimated initially. Bill Credit Recipients may request that the Company reset their three (3) year annual average once three (3) years of billing history is available.
- ix. Unallocated generated kWh for each month will be calculated as the monthly generated kWh less the sum of the generated kWh allocated to the Bill Credit Recipients for the month. Unallocated generated kWh will be cumulated on an annual basis and the cumulative unallocated generated kWh calculated for each month will be used to increase or decrease the available generated kWh for the subsequent month within the program year. Any unallocated kWh remaining at the end of the program year will be paid to the designated cash recipient pursuant to Section 8.d.3.
- x. Each Applicant may change the specified Bill Credit Recipients associated with a CRDG facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

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xi. For Bill Credit Recipients enrolled in the Company’s A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

3) Calculation of Bill Credits Applicable to Bill Credit Recipients:

The Bill Credit Recipient’s bill will be based upon the On-Site Use, the retail delivery service charges and the ~~Standard Offer-Last Resort~~ Service or Non-Regulated Power Producer charges in effect during the billing period and which apply to the Bill Credit Recipient’s retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient’s bill. The Bill Credit will appear on the Bill Credit Recipient’s bill separate from the charges for on-site use.

$$BC = \text{ALLOC (kWh)} \times \text{Bill Credit Rate}$$

Where:

$$BC = \text{Bill Credit}$$

$$\text{ALLOC (kWh)} = \text{Bill Credit Recipient’s allocated generated kWh as determined per Section 8.d.2.}$$

BILL CREDIT RATE = a per kWh rate used to calculate each Bill Credit Recipient’s monthly Bill Credit that may be either a fixed per kWh rate determined by the Applicant or the Default Bill Credit Rate. The Bill Credit Rate must be specified on the Customer Payment/Credit Transfer Form. The Default Bill Credit Rate is defined as the sum of the base ~~Standard Offer-Last Resort~~ Service Rate, the ~~Standard Offer-Last Resort~~ Service Adjustment Factor, the ~~Standard Offer-Last Resort~~ Service Administrative Cost Adjustment Factor, the Transmission Service Cost Adjustment Factor, and the Non-bypassable Transition Service Charge, applicable to the Bill Credit Recipient’s rate schedule in effect at the time of the application of the monthly Bill Credit to the Bill Credit Recipient’s account. The fixed Bill Credit Rate must be equal to or less than the Default Bill Credit Rate in effect at the time that the Bill Credit Recipient’s account information is submitted by the Applicant on the Customer Payment/Credit Transfer Form, and must be greater than the Minimum Bill Credit amount, as indicated in the Tariff Supplement for the Program Year in effect under which the Applicant received a Certificate of Eligibility. The Minimum Bill Credit amount will be calculated as 50% or the difference between the ceiling prices of non-CRDG facilities and CRDG facilities of the same technology and class, but in no case will be greater than 1.25¢ per kWh. The selection of the fixed or Default Bill Credit Rate

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applicable to each Bill Credit Recipient may not be changed once the initial selection is made.

- 4) Payment of Residual Performance-Based Incentive Payment
- i. Cash payment to the Applicant or designated payment recipient for each month will be as follows:

$$\text{Cash Payment} = \text{Performance-Based Incentive Payment} - (\text{sum of Bill Credit Recipient Bill Credits}) - (\text{Unallocated Bill Credits})$$

Where

Unallocated Bill Credit=the unallocated generated kWh multiplied by the Default Bill Credit Rate applicable to the Applicant's rate class.

If the sum of the kWh allocated to the Bill Credit Recipients during a billing period is less than the monthly generation of the DG Project during the same period, the Unallocated Bill Credit will be calculated as the Default Bill Credit Rate multiplied by the difference between the monthly generated kWh and the sum of the kWh allocated to Bill Credit Recipients, and this amount will result in a decrease in the monthly cash payment.

If the sum of the kWh allocated to the Bill Credit Recipients during a billing period exceeds the monthly generation of the DG Project during the same period, but is less than the available generated kWh as defined in Section 8.d.2.ii, the Unallocated Bill Credit will be calculated as the Default Bill Credit Rate multiplied by the difference between the monthly generated kWh and the sum of the kWh allocated to Bill Credit Recipients, and this amount will result in an increase in the monthly cash payment.

- ii. Any unallocated generated kWh remaining at the end of the Program Year will be valued at the average ISO-NE Locational Marginal Pricing rate that was realized by the settlement of the output with ISO-NE over the course of the year and will be paid to the designated payment recipient in a lump sum.
- e. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Award by October 1, 2017 are eligible to receive SolarWise Bonus payments. The PBI payments pursuant to Section 8.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

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Payments under the appropriate SolarWise Bonus Tier will be made pursuant to Option 2 described above. All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

*Example: If a residential customer used an average of 10,000 kWh per year over the previous three years, and implemented energy savings of 2,000 kWh per year, the resulting SolarWise eligible system would be sized to produce no more than a maximum of 8,000 kWh in the course of a year. The maximum size of the customer's solar PV system (using a capacity factor of 14% for this example) would then decrease from 8.15 kW DC to 6.52 kW DC.*

*If a customer application included Excluded Technologies Adjustments, the system may be sized to include generation sufficient to power the eligible "Excluded Technologies." For example, if the customer example above also provided evidence of an electric vehicle in possession at the time of application that would consume 2,000 kWh per year, the eligible system size would increase to 8.15 kW, in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

The Company reserves the right to audit customers for compliance with commitments made to qualify for SolarWise Bonus Payments. If the requisite energy efficiency measures are not complete within twelve (12) months of the SolarWise application approval, the Company may withdraw the SolarWise Bonus Payment approval and the Tariff payments will revert to the applicable standard PBI without the SolarWise Bonus payment.

**9. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.
- b. The Applicant is required to comply with Company's Standards for Connecting Distributed Generation. Any application by applicants for Projects seeking to qualify for the Small-Scale Solar class for interconnection under the Standards for Connecting Distributed Generation that is not complete and accurate will be rejected by the Company, as allowed by the Standards for Connecting Distributed Generation, and the applicant will need to resubmit its application for interconnection and Certificate of Eligibility under this program as a new application.
- c. To be eligible to receive Renewable Net Metering Credits or excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, a DG Project and a Customer receiving credits

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from such a facility must comply with the applicable provisions of the Company's Net Metering Provision.

- d. The Company's recovery of costs incurred to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.
- e. By participating in the Renewable Energy Growth Program and accepting a Certificate of Eligibility, all enrolled facilities shall be made available for inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection with full access to the facility within 90 days from the date of the Office of Energy Resources' request for inspection will result in suspension of PBI payments until cured, and may result in termination of the Certificate of Eligibility after 180 days from the date of the Office of Energy Resources' request for inspection.

**10. Dispute Resolution**

If any dispute arises between the Company and either the Applicant or the Customer, the dispute shall be brought before the Commission for resolution. Such disputes may include but are not limited to those concerning the Rules, terms, conditions, rights, responsibilities, the termination of the Tariff or Tariff supplement, or the performance of the Applicant, the Customer, or the Company.

**11. Termination Provisions**

The Applicant and the Customer shall comply with the provision of this Tariff through the end of the term specified in the applicable Tariff supplement. The Applicant and the Customer may not terminate their obligations under this Tariff unless and until the Company consents to such termination. The Company will not unreasonably delay or withhold its consent to an Applicant's request to terminate if the Applicant cannot fulfill the obligations because of an event or circumstance that is beyond the Applicant's reasonable control and for which the Applicant could not prevent or provide against by using commercially reasonable efforts.

Only the DG Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a DG Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a DG Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, or the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, the Company may, after notifying the Customer or Applicant in writing of such non-compliance and providing the Customer or Applicant a reasonable period to remedy such non-compliance and the violation persists, request the Commission to review the non-compliance and determine appropriate action, which may include requiring the Customer or Applicant to comply with the applicable provision being violated or revoking the Customer's or Applicant's Certificate of Eligibility.

Redlined Version

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12. **Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws. § 39-26.6-10. All revisions to the Tariff will be filed annually by November 15. Tariff supplements will be filed annually and following each scheduled RE Growth Program enrollment, as necessary. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2015 through March 31, 2016

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Facility, and the Term of Service for a particular DG Facility will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance –Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years
Medium-Scale Solar	26 to 250 kW	24.40¢	20 years

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
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Program Year: April 1, 2015 through March 31, 2016

Renewable Energy Class	Ceiling Price	Term of Service
Commercial-Scale Solar	20.95¢	20 years
Large-Scale Solar	16.70¢	20 years
Wind I (1.5MW to 2.99MW) with Investment Tax Credit	18.40¢	20 years
Wind I (1.5MW to 2.99MW) with Production Tax Credit	19.85¢	20 years
Wind I (1.5MW to 2.99MW) with No Federal Tax Incentives	22.75¢	20 years
Wind II (3.0MW to 5.0MW) with Investment Tax Credit	18.20¢	20 years
Wind II (3.0MW to 5.0MW) with Production Tax Credit	19.45¢	20 years
Wind II (3.0MW to 5.0MW) with No Federal Tax Incentives	22.35¢	20 years
Anaerobic Digestion (150kW to 1,000kW) with Production Tax Credit	20.20¢	20 years

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The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
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Program Year: April 1, 2015 through March 31, 2016

Renewable Energy Class	Ceiling Price	Term of Service
Anaerobic Digestion (150kW to 1,000kW) with No Federal Tax Incentives	20.60¢	20 years
Small-Scale Hydropower I (10kW to 250kW) with Production Tax Credit	19.80¢	20 years
Small-Scale Hydropower I (10kW to 250kW) with No Federal Tax Incentives	21.35¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) with Production Tax Credit	18.55¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) with No Federal Tax Incentives	20.10¢	20 years

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Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years
Medium-Scale Solar (including ITC/PTC & Bonus Depreciation)	26 to 250 kW	22.55¢	23.68¢	24.81¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2016 through March 31, 2017

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar (including ITC/PTC & Bonus Depreciation)	19.30¢	20 years
Large-Scale Solar (including ITC/PTC & Bonus Depreciation)	15.10¢	20 years
Wind I (1.5MW to 2.99MW) (including ITC/PTC & Bonus Depreciation)	18.75¢	20 years
Wind II (3.0MW to 5.0MW, 2-turbine) (including ITC/PTC & Bonus Depreciation)	18.00¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine) (including ITC/PTC & Bonus Depreciation)	17.40¢	20 years
Anaerobic Digestion I (150kW to 500 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢	20 years
Anaerobic Digestion II (10kW to 250 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢	20 years
Small-Scale Hydropower I (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	18.65¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	17.45¢	20 years

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	34.75¢	36.49¢	38.23¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	30.85¢	32.39¢	33.94¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	27.05¢	n/a	n/a	27.59¢	28.13¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.05¢	n/a	n/a	24.53¢	25.01¢	20 years
Small-Scale Solar II	11 to 25 kW	27.75¢	29.14¢	30.53¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	System Size	Ceiling Price/ Standard Performance-Based Incentive (per kWh)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	27.75¢	n/a	n/a	28.31¢	28.86¢	20 years
Medium-Scale Solar	26 to 250 kW	22.75¢	23.89¢	25.03¢	n/a	n/a	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Program Year: April 1, 2017 through March 31, 2018

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	18.75¢	20 years
Commercial-Scale Solar - CRDG	20.65¢	20 years
Large-Scale Solar	15.05¢	20 years
Large-Scale Solar – CRDG	16.85¢	20 years
Small Wind (10 to 999 kW)	21.45¢	20 years
Wind I (1.0MW to 2.99MW)	19.45¢	20 years
Wind I (1.0MW to 2.99MW) – CRDG	20.65¢	20 years
Wind II (3.0MW to 5.0MW, 2-turbine)	18.25¢	20 years

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Wind II (3.0MW to 5.0MW, 2-turbine) CRDG	19.35¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine)	17.35¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine) CRDG	18.55¢	20 years
Anaerobic Digestion I (150kW to 500 kW)	20.15¢	20 years
Anaerobic Digestion II (501kW to 1,000 kW)	20.15¢	20 years
Small-Scale Hydropower I (10kW to 250kW)	22.45¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW)	22.45¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

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Renewable Energy Growth Program for Non-Residential Customers  
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Program Year: April 1, 2017 through March 31, 2018

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Wind I	0.600¢ per kWh
Wind II	0.550¢ per kWh
Wind III	0.600¢ per kWh
Commercial Solar	0.950¢ per kWh
Large Solar	0.950¢ per kWh

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I	1 to 10 kW	28.55¢	20 years
Small-Scale Solar II	11 to 25 kW	29.45¢	20 years
Medium-Scale Solar	26 to 250 kW	24.95¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

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Program Year: April 1, 2018 through March 31, 2019

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	19.65¢	20 years
Commercial-Scale Solar - CRDG	22.45¢	20 years
Large-Scale Solar	16.45¢	20 years
Large-Scale Solar – CRDG	18.92¢	20 years
Small Wind (1 to 999 kW)	22.25¢	20 years
Large Wind (1.0MW to 5.0MW)	17.55¢	20 years
Large Wind – CRDG (1.0MW to 5.0MW)	19.35¢	20 years

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Hydroelectric (1.0MW to 5.0MW)	24.55¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	20.55¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Large Wind	0.900¢ per kWh
Commercial Solar	1.250¢ per kWh
Large Solar	1.2350¢ per kWh

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	28.45¢	15 years
Small-Scale Solar I	1 to 10 kW	24.95¢	20 years
Small-Scale Solar II	11 to 25 kW	27.65¢	20 years
Medium-Scale Solar	26 to 250 kW	23.55¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	17.85¢	20 years
Commercial-Scale Solar - CRDG	20.53¢	20 years
Large-Scale Solar	15.15¢	20 years
Large-Scale Solar – CRDG	17.42¢	20 years
Small Wind (1 to 999 kW)	24.05¢	20 years
Large Wind (1.0MW to 5.0MW)	19.35¢	20 years
Large Wind – CRDG (1.0MW to 5.0MW)	21.65¢	20 years

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Program Year: April 1, 2019 through March 31, 2020

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Hydroelectric (1.0MW to 5.0MW)	27.15¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	20.85¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Large Wind	1.135¢ per kWh
Commercial Solar	1.250¢ per kWh
Large Solar	1.150¢ per kWh

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	29.65¢	15 years
Small-Scale Solar II	11 to 25 kW	23.45¢	20 years
Medium-Scale Solar	26 to 250 kW	21.15¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

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Program Year: April 1, 2020 through March 31, 2021

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar (251-999 kW DC)	18.25¢	20 years
Commercial-Scale Solar – CRDG (251-999 kW DC)	20.99¢	20 years
Large-Scale Solar – (1.0MW to 5.0MW)	13.65¢	20 years
Large-Scale Solar – CRDG - (1.0MW to 5.0MW)	15.70¢	20 years
Wind (up to 5.0MW)	18.85¢	20 years
Wind – CRDG (1.0MW to 5.0MW)	21.05¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	15.35¢	20 years
Hydroelectric (1.0MW to 5.0MW)	21.45¢	20 years
Solar Carport Incentive	<del>0.06¢</del>	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Wind	1.10¢ per kWh
Commercial Solar	1.25¢ per kWh
Large Solar	1.03¢ per kWh

**Redlined Version**

Seventh Tariff supplement to RIPUC No. 2152-H  
Sheet 1 of 3

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
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Program Year: April 1, 2021 through March 31, 2022

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I. Gen. Laws § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

<u>Renewable Energy Class</u>	<u>System Size</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh)</u>	<u>Term of Service</u>
<u>Small-Scale Solar I</u>	<u>1 to 15 kW DC</u>	<u>29.95¢</u>	<u>15 years</u>
<u>Small-Scale Solar II</u>	<u>16 to 25 kW DC</u>	<u>25.85¢</u>	<u>20 years</u>
<u>Medium-Scale Solar</u>	<u>26 to 250 kW DC</u>	<u>22.25¢</u>	<u>20 years</u>

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

**Redlined Version**

Seventh Tariff supplement to RIPUC No. 2152-H  
Sheet 2 of 3

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

<u>Renewable Energy Class</u>	<u>Ceiling Price (per kWh)</u>	<u>Term of Service</u>
<u>Commercial-Scale Solar (251-750 kW DC)</u>	<u>19.05¢</u>	<u>20 years</u>
<u>Commercial-Scale Solar (751-999 kW DC)</u>	<u>15.75¢</u>	<u>20 years</u>
<u>Commercial-Scale Solar – CRDG (251-750 kW DC)</u>	<u>21.91¢</u>	<u>20 years</u>
<u>Commercial-Scale Solar – CRDG (751-999 kW DC)</u>	<u>18.11¢</u>	<u>20 years</u>
<u>Large-Scale Solar – (1.0MW to 5.0MW DC)</u>	<u>11.85¢</u>	<u>20 years</u>
<u>Large-Scale Solar – CRDG - (1.0MW to 5.0MW DC)</u>	<u>13.63¢</u>	<u>20 years</u>
<u>Wind (up to 5.0MW)</u>	<u>20.05¢</u>	<u>20 years</u>
<u>Wind – CRDG (up to 5.0MW)</u>	<u>22.45¢</u>	<u>20 years</u>
<u>Anaerobic Digestion I (up to 5.0 MW)</u>	<u>21.15¢</u>	<u>20 years</u>
<u>Hydroelectric (up to 5.0MW)</u>	<u>27.35¢</u>	<u>20 years</u>
<u>Solar Carport Incentive</u>	<u>5¢</u>	<u>20 years</u>
<u>Low-Income CRDG Incentive</u>	<u>3¢</u>	<u>Enrollment Dependent</u>

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

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Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the program year are as follows:

<u>Renewable Energy Class</u>	<u>Minimum Bill Credit</u>
<u>Wind</u>	<u>1.20¢ per kWh</u>
<u>Commercial Solar (251-750 kW)</u>	<u>1.25¢ per kWh</u>
<u>Commercial Solar (751-999 kW)</u>	<u>1.18¢ per kWh</u>
<u>Large Solar</u>	<u>0.89¢ per kWh</u>

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR NON-RESIDENTIAL CUSTOMERS**1. Introduction**

This tariff (“Tariff”) describes the terms and conditions under which an Applicant for an eligible distributed generation project (“DG Project”) will receive funding pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (“Chapter 26.6”), which refers to the Renewable Energy Growth Program (“RE Growth Program”).

This Tariff will apply to an Applicant who has installed a DG Project at a Non-Residential Customer’s service location or another location that allows for interconnection to the Company’s electric distribution system. For this purpose, a Non-Residential Customer (“Customer”) is defined as a customer receiving retail delivery service on any rate schedule other than the Company’s residential rate schedules (Basic Residential Rate A-16 and Low Income Rate A-60). This Tariff will also apply to a DG Project that does not provide On-Site Use to a Customer receiving retail delivery service from the Company. The Applicant and the Customer may be the same person, or different persons, subject to the eligibility standards in the Solicitation and Enrollment Process Rules (“Rules”) and this Tariff.

This Tariff applies to the Applicant for a DG Project that is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules, and any successor Applicant for the Project. Upon being awarded a Certificate of Eligibility, a DG Project has a defined period to meet all requirements to receive compensation pursuant to this Tariff, which is: (1) 48 months for a Small DG Project using hydropower; (2) 36 months for a Project using anaerobic digestion; or (3) 24 months for a Project using another eligible technology.

The Applicant is required to update the Application information for the DG Project, including but not limited to information concerning: the DG Project owner, the Customer, the Bill Credit Recipient(s), the recipient of Performance-Based Incentive Payments, the total cost of the project, indication of whether the system is a “self-install” by the Customer/Project Owner, proof of completed mandatory training from the Rhode Island Office of Energy Resources if the system is a “self-install”, and both the General Contractor registration number and the Electrician license number of the entities constructing the project. Also, an Applicant may designate a successor Applicant for a DG Project under this Tariff with notice to the Company and without the consent of the Company. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the DG Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of a DG Project comply with the terms of the Company’s Solicitation and Enrollment Process Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

**2. Definitions**

The following words and terms shall have the following meanings when used in this Tariff:

- a. Applicant: the person or entity with legal authority to enroll the DG Project in the RE Growth program, and with the obligation to ensure that all aspects of the DG Project comply with the Rules.

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR NON-RESIDENTIAL CUSTOMERS

- b. Application: the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. Bill Credit: means a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to On-Site Use subject to the eligibility requirements and provisions of Section 8.
- d. Bill Credit Recipient: a Customer, as defined below, who is eligible to receive Bill Credits from a Community Remote Distributed Generation System, a Shared Solar Facility, or Standard DG Project pursuant to the eligibility rules in Section 8., or a person or entity that is a customer of record and receiving Residential retail delivery service pursuant to one of the Company's residential retail delivery service rate schedules, who is eligible to receive credits from a Community Remote Distributed Generation System or a Shared Solar Facility. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any applicable electric service, payment plans or agreements, including but not limited to meeting all obligations under an interconnection service agreement. Bill Credit Recipients shall receive Bill Credits from a single DG Project.
- e. Board: the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. Ceiling Price: the bidding price cap applicable to an enrollment in a given Renewable Energy Class and Program Year. Ceiling prices will be recommended by the Board and approved by the Commission.
- g. Certificate of Eligibility: written notice by the Company or Commission that a DG Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a DG Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- h. Commercial-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 250 kilowatts (250 kW) but less than 1 megawatt (1 MW).
- i. Commission: the Rhode Island Public Utilities Commission.
- j. Community Remote Distributed Generation System: a distributed generation facility with a nameplate capacity greater than two hundred fifty kilowatts (250 kW) and which allocates Bill Credits for each kilowatt-hour (kWh) generated to a minimum of three (3) eligible recipient customer accounts pursuant to the rules specified in Section 8. The Community Remote Distributed Generation System may be owned by the same entity that is the Applicant, the Customer, or another party.
- k. Company: The Narragansett Electric Company d/b/a National Grid.

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- l. Customer: a person or entity that is receiving retail delivery service pursuant to one of the Company's non-residential retail delivery service rate schedules for a single location having an electric service billing account, and the person or entity is listed as the customer-of-record on the billing account associated with the service location. If the person or entity has more than one account as the Customer-of-record, each account service location will be considered as a separate Customer. The Customer may be the Applicant, a Bill Credit Recipient or a third party.
- m. Customer Payment/Credit Transfer Form: means a form submitted by the Applicant prior to the commercial operation date of the DG Project, and updated periodically as necessary, containing all required information necessary to process monthly Performance-Based Incentive Payments and Bill Credits.
- n. DG Project: a distinct installation of an electrical generation facility that is located in the Company's service territory, is connected to the Company's electric distribution system, and has a nameplate capacity no greater than five megawatts (5 MW) using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels.
- o. ISO-New England, Inc. ("ISO-NE"): the Independent System Operators of New England, Inc., established in accordance with the NEPOOL Agreement and applicable Federal Energy Regulatory Commission approvals, which is responsible for managing the bulk power generation and transmission systems in New England.
- p. Large DG Project: a DG Project with a nameplate capacity that exceeds the size of a Small DG Project in a given year but is no greater than five megawatts (5 MW) nameplate capacity.
- q. Large-Scale Solar Project: a solar DG Project with a nameplate capacity of one megawatt (1 MW) or greater and up to and including five megawatts (5 MW).
- r. Low Income CRDG Customer: A Bill Credit Recipient enrolled with a Community Remote Distributed Generation facility to receive bill credits who is served on the Company's A-60 Residential Rate.
- s. Low-Income Discount: the discount provided to a customer receiving delivery service on the Low-Income Rate A-60 pursuant to the terms of the Low-Income Rate A-60 tariff.
- t. Medium-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 25 kilowatts (25 kW) and up to and including 250 kilowatts (250 kW).
- u. Nameplate Capacity: the maximum rated output or gross output of a DG Project. For a solar DG Project, it is the total rated power output of all the DG Project's panels, measured in direct current.

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- v. Office: the Rhode Island Office of Energy Resources.
- w. On-Site Use: the amount of energy used at a Customer or Bill Credit Recipient service location during a billing period that may be delivered by the Company, or supplied by the DG Project, or both.
- x. Output Certification: certification provided by an independent engineer (licensed Professional Engineer) stating that construction of both the DG Project and the interconnection facilities is complete in all material respects, that the metering has been installed and tested, that the Nameplate Capacity is as on the Certificate of Eligibility, and that the DG Project is capable of producing at least 90% of the maximum hourly output specified on the Certificate of Eligibility.
- y. Performance-Based Incentive: either a standard or competitively bid price per kilowatt-hour (“kWh”) that is applicable to the output of a DG Project when the Applicant has been awarded a Certificate of Eligibility, pursuant to the Rules.
- z. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
  - aa. Renewable Energy Classes: categories for different renewable energy technologies using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels specified in § 39-26-2(6).
  - bb. Renewable Energy Certificate (“REC”): an electronic record produced by the New England Power Pool Generation Information System (“NEPOOL-GIS”) that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.
  - cc. Shared Solar Facility: a single Small-Scale or Medium-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 8. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
  - dd. Small-Scale Solar Project: a solar DG Project with a nameplate capacity of up to and including 25 kilowatts (25 kW).
  - ee. Small DG Project: either: (1) a Small-Scale Solar Project; (2) a Medium-Scale Solar Project; (3) a wind DG Project with a nameplate capacity of at least fifty kilowatts (50 kW) up to one and one-half megawatts (1.5 MW); or (4) a DG Project using renewable energy resources other than solar and wind, with a nameplate capacity to be determined by the Board, but no greater than one megawatt (1 MW).

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- ff. Solar Carport: The portion of the direct current (DC) nameplate capacity of a Solar DG Project that is installed above a permeable and/or non-permeable existing or new parking area and associated access and walkway areas (as recognized by the local municipal building and/or zoning department), which is installed in a manner that maintains the function of the area beneath the structure, and is continued to be used or available for use for such purposes for the term of enrollment in this tariff.
- gg. SolarWise Program: available only through October 15, 2017, an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encouraged the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursued greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- hh. Solicitation and Enrollment Process Rules: the rules governing the solicitation, enrollment, and award processes for the RE Growth Program for Non-Residential Customers, established pursuant to Chapter 26.6, and approved by the Commission.
- ii. Standard DG Project: a project that is not classified as either a Shared Solar Facility or a Community Remote Distributed Generation System.
- jj. Station Service: energy used to operate auxiliary equipment and other load that is directly related to the production of energy by a DG Project.

**3. Performance Guarantee Deposit**

- a. No later than five (5) business days after a project is offered a Certificate of Eligibility, the Applicant shall submit by wire transfer a Performance Guarantee Deposit (“Deposit”) as identified on the Certificate of Eligibility. Upon confirmation of the receipt of the Deposit, the Company shall award the Certificate of Eligibility. Each Deposit shall be no less than \$500.00 and no greater than \$75,000.00. The Deposit shall be calculated as \$15.00 for Small DG Projects or \$25.00 for Large DG Projects, multiplied by the estimated RECs to be generated during the DG Project’s first year of operation.
- b. If the Company does not receive a Deposit by the date required, the Company may withdraw the Certificate of Eligibility offer and not proceed further with the Applicant in that enrollment.
- c. The Deposit shall be refunded to the Applicant during the first year of the DG Project’s operation, paid quarterly. In the event that the Applicant terminates the DG Project prior to operation, the Deposit will be forfeited.
- d. After receiving the Certificate of Eligibility, the Applicant must provide the Output Certification within: (1) 48 months for Small DG Projects using hydropower; (2) 36 months for anaerobic

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digestion; or (3) 24 months for all other DG Projects. If the Output Certification is not received within the specified timeframe, the Certificate of Eligibility will be voided and the Deposit will be forfeited.

- e. Once a DG Project has provided the Output Certification to National Grid, the project then has 90 days to meet all other requirements specified in Section 8(a) to receive payment pursuant to the Tariff.
- f. An Applicant may elect, for any reason, to extend the DG Project deadline for providing the Output Certification by an additional six (6) months with no additional Deposit. After such initial six-month extension, the Applicant may elect, for any reason, to extend Output Certification deadline for an additional six-month period by posting an additional Deposit amount equal to one-half of the original Deposit amount. An Applicant shall not extend the deadline to provide the Output Certification by more than one (1) year in total. Prior to the expiration of the timeframe applicable to the Applicant's DG Project, as specified herein Section 3(d) or as extended as provided for by Section 3(f), the Applicant must notify the Company of its election to extend the DG Project deadline.
- g. If the Applicant is unable to provide the Output Certification within the timeframe specified in Section 3(d), or as extended pursuant to Section 3(f), because of non-completion of the necessary system modifications on the Company's side of the meter or any other interconnection delays that are beyond the reasonable control of the Applicant, the deadline for providing the Output Certification will be extended until such time as the DG Project has received approval from the Company to interconnect to the Company's distribution system and begin production, with no additional deposit required.
- h. If an act of God occurs within the timeframe allowed for providing the Output Certification, and as a direct result of the act of God, the DG Project is incapable of providing the Output Certification within the timeframe prescribed in this Tariff, the DG Project shall be terminated and the Deposit shall be refunded immediately.
- i. Small-Scale Solar Projects and Medium-Scale Solar Projects are not required to submit a Performance Guarantee Deposit or provide an Output Certification. In order to receive Performance-Based Incentive payments under this Tariff, such projects will have 24 months after being awarded a Certificate of Eligibility to achieve operation at expected availability and capacity and meet all other requirements under this Tariff.

#### 4. **Interconnection**

- a. The interconnection of the DG Project with the Company's distribution system and any system modifications required by the Company shall be in accordance with the Standards for Connecting Distributed Generation and coordinated or delegated by the Applicant.

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- b. Except for Small-Scale Solar Projects and Medium-Scale Solar Projects, all Applicants for DG Projects awarded a Certificate of Eligibility are required to submit quarterly reports to the Company and the Office reporting on the progress of construction. Failure to submit these reports may result in the loss of the Applicant's Certificate of Eligibility.

## 5. Project Segmentation

Rhode Island law prohibits project segmentation in the RE Growth Program. In no case may a project developer be allowed to segment a distributed generation project on the same parcel or contiguous parcels into smaller sized projects in order to fall under a smaller size project classification. Subject to the exceptions below, projects proposed by a developer on the same parcel or contiguous parcels will be presumed to have been segmented and only one of the projects will be eligible for a Certificate of Eligibility. An Applicant may appeal the Company's decision to the Commission.

Before making its determination, the Company will look for one of the following exceptions to the prohibition on project segmentation:

- i. The DG Projects use different renewable energy resources; or
- ii. The DG Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one DG Project and the commencement of construction of any additional DG Project.
- iii. DG Projects installed on contiguous parcels will not be considered segmented if they serve different Non-Residential Customers and both Customers receive bill credits under Option 2 as defined in Section 8.c.
- iv. If two or more projects are proposed on same or contiguous parcels and their combined nameplate capacity does not total to an amount that exceeds the class nameplate range of the enrollment class of the individual projects

If the Company determines that a DG Project is ineligible to enroll in the RE Growth Program due to project segmentation, such project may be eligible for compensation pursuant to the Net Metering Provision or through other energy market participation. Rhode Island law requires eligible Projects must not already be operating to participate in the RE Growth Program, therefore any Project receiving compensation pursuant to the Net Metering Provision is not eligible for the RE Growth Program. Furthermore, if an Applicant is awarded a Certificate of Eligibility for a DG Project and is receiving Performance-Based Incentive Payments pursuant to this Tariff it will not receive compensation pursuant to the Net Metering Provision for the same DG Project during the term specified in the applicable Tariff supplement.

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- a. A Company-owned meter must be installed on all DG Projects that are enrolled in the RE Growth Program for the purpose of measuring and reporting the output of the DG Project. An interval meter will be installed on all projects greater than 25 kW in AC capacity. In the event that there is an existing service location with an existing meter, the meter for the DG Project shall be wired in parallel with, and be adjacent to, the existing service meter, or in another location as approved by the Company pursuant with the Company's specifications and polices on metering. In the event an existing service meter is present, the existing service meter will be exchanged for an interval meter by the Company at the Applicant's expense.
- b. For Medium-Scale Solar Projects, Commercial-Scale Solar Projects, Large-Scale Solar Projects, and DG Projects of other eligible technologies, the Applicant is responsible for the cost of a revenue-quality interval meter and associated metering equipment, including required remote communication for measuring and reporting the output of the DG Project as well as any existing service meter. An Applicant may elect to supply the meter and associated equipment provided that it conforms to the Company's metering standards and the Rhode Island Division of Public Utilities and Carriers ("Division") Rules for Prescribing Standards for Electric Utilities, as may be amended from time to time. At the request of the Applicant, the Company will provide the required interval meter and associated equipment, subject to the Company having such equipment available and the Applicant reimbursing the Company for its cost.
- c. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain and replace the meter(s), if applicable.
- d. Energy storage systems (ESS), such as electro-chemical batteries, that can store and release electrical energy, may be co-located with RE Growth qualifying projects. When located behind-the-meter of a customer and able to charge from the electric power system, ESS must be configured in a manner that they cannot export through the RE Growth production meter. When configured to charge directly from the RE Growth system, ESS must be configured so that any energy used for back-up supply purposes is not measured by the RE Growth production meter.

**7. Energy, Capacity, Renewable Energy Certificates and Other Environmental Attributes**

- a. Prior to receiving compensation pursuant to Section 8 of this Tariff, an Applicant, at its own cost, must obtain Commission certification of a DG Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.

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- b. For the term specified in the applicable Tariff supplement, the Company shall have the irrevocable rights and title to the following products produced by the DG Project: (1) RECs; (2) energy; and (3) any other environmental attributes or market products associated with the sale of energy or energy services produced by the DG Project, provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project at any time after it is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules. Environmental attributes shall include any and all generation attributes or energy services established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the DG Project during the term of service specified on the applicable Tariff supplement.

- (1) RECs: RECs must be delivered to the Company's appropriate NEPOOL-GIS account. This will be accomplished through registration of the DG Project with the NEPOOL-GIS. If requested by the Company, Applicant will provide approvals or assignments, as necessary, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

Small-Scale Solar Projects shall provide all necessary information to, and cooperate with, the Company to enable the Company to obtain the appropriate asset identification for reporting generation to the NEPOOL-GIS for the creation of RECs and direct all RECs from the DG Project to the Company's appropriate NEPOOL-GIS account. The Applicant will provide approvals or assignments, including, but not limited to, completing the Renewable Energy Certificate Assignment and Aggregation Form, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

- (2) Energy: Except for Small-Scale Solar Projects, energy must be delivered to the Company in the Company's ISO-NE load zone at the delivery node associated with the DG Project. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary generation asset.
- (3) Capacity: The Company may qualify the DG Project as an Existing Capacity Resource in the Forward Capacity Market ("FCM") after the Commercial Operation Date to participate in the FCM, as determined by the Company, in consultation with the Division. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary capacity asset. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.

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Upon receipt of a Certificate of Eligibility, the Applicant is entitled to the Performance-Based Incentive Payment for the term specified in the applicable Tariff supplement, provided that the Applicant has complied with all other requirements of this Tariff and the Solicitation and Enrollment Process Rules.

As a condition for receiving monthly payments pursuant to Section 9c, the Applicant must provide confirmation of the following: 1) the Company's written authority to interconnect to its electric distribution system and Applicant's payment of all amounts due; 2) Commission certification of the DG Project as an Eligible Renewable Energy Resource; 3) registration of the DG Project with the ISO-NE and NEPOOL GIS; 4) a copy of the Project's approved State of Rhode Island Solar Permit or building permit, including the responsible Rhode Island General Contractor's Number; and 5) except for small-scale and medium-scale solar, the Output Certification. Small-Scale Solar Projects can demonstrate completion of items 2 and 3 by the completion of the Renewable Energy Certificate Assignment and Aggregation Form. If an Applicant or Customer is no longer in good standing with regard to payment plans or agreements, if applicable, and other obligations to the Company (including but not limited to meeting all obligations under an interconnection service agreement), the Company may withhold payments under this Tariff. In addition, all Bill Credit Recipient(s) must remain in good standing with regard to the electric service account(s) receiving Bill Credits pursuant to this tariff, or the Company may withhold Bill Credits until such an account is again in good standing. If payments to an Applicant are suspended or withheld for any reason, up to 90 days of Performance Based Incentive payments and bill credits (if applicable) will be available to be paid once the suspension is cured; the value of all generation that occurred prior to 90 days of the cure will be forfeited.

**b. Performance-Based Incentive**

The Performance-Based Incentive will be a fixed per-kWh price for the term specified in the applicable Tariff supplement.

The Performance-Based Incentive for Small-Scale Solar shall be a standard Performance-Based Incentive that is recommended by the Board and approved by the Commission. The Performance-Based Incentive for other DG Projects shall be determined through competitive bidding.

If applicable, for any Customer who has applied for and received approval for a SolarWise Bonus Tier and has met all of the requirements to receive a SolarWise Bonus by October 15, 2017, the Performance-Based Incentive may be adjusted to reflect SolarWise Bonus payments pursuant to Section 8.e.

**Zonal Incentive:** In addition to the Performance-Based Incentive, the Company may propose, and the Commission may approve, a zonal incentive, which is in addition to the Performance-Based Incentive for DG Projects that are: 1) located in designated geographic areas; or 2) comply with other specified conditions. Any Zonal Incentive shall be reflected in the applicable Tariff supplement.

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Solar Carport Incentive: A Customer whose DG Project includes nameplate capacity that meets the definition as a Solar Carport will be eligible for the Solar Carport Incentive specified in the applicable Tariff supplement and will be included in the Performance Based Incentive amount for the specific DG Project. The Solar Carport Incentive amount will be calculated as follows:

$$SCI_{SCP} = SCCN_{SCP} \div PCN_{SCP} \times SCIR_{YEAR}$$

$$PBI_{SCP} = PBIB_{SCP} + SCI_{SCP}$$

Where:

$$SCI_{SCP} = \text{Solar Carport PBI Adder}$$

$$SCCN_{SCP} = \text{Solar Carport Capacity Nameplate (kW DC)}$$

$$PCN_{SCP} = \text{Project Capacity Nameplate (kW DC)}$$

$$SCIR_{YEAR} = \text{Program Year Solar Carport Incentive Rate}$$

$$SCP = \text{Solar Carport Project}$$

$$PBI_{SCP} = \text{Solar Carport Project PBI}$$

$$PBIB_{SCP} = \text{Solar Carport Competitive Bid PBI}$$

The SCI will be added to the competitively bid PBI of the specific project upon acceptance, and the total amount will be paid on all generation of the total DG Project and will be provided on the Customer's Certificate of Eligibility. Any change in the DC nameplate rating of a Solar Carport portion of a project as built must be provided to the Company prior to Authority to Interconnect, and adjustments to the SCA will be reflected in the final Certificate of Eligibility provided to the Customer. No changes to the Solar Carport portion of the project are permitted after the project is operational.

Low-Income CRDG Incentive: A Customer whose CRDG project assigns a minimum of 20 percent of its Bill Credits to Low-Income CRDG Customers will be eligible for the Low Income CRDG Incentive specified in the applicable program year Tariff supplement for each kilowatt hour that is assigned to such qualifying customers. The minimum Bill Credit from the Low Income CRDG Incentive that must be transferred to the Low Income CRDG Customers, in addition to any minimum Bill Credit already required under this Tariff, will be two-thirds (2/3rds) of the value of the LI CRDG Incentive for the Program Year in which the project is enrolled. The eligibility of the CRDG project for this adder will be noted on its Certificate of Eligibility. If enrollment of Low Income CRDG Customers in such an eligible facility falls below 10 percent of its output over a program year, the project portion of the incentive will be withheld by the Company until

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enrollment is increased back to 20 percent of annual generation. All withheld amounts will be paid once the facility is in good standing with this provision.

The Low Income CRDG Incentive will be added to the competitively bid PBI of the specific project once it is operating, for each kilowatt hour credit delivered to Low Income CRDG Customers. The Customer (project owner) will not receive the LI CRDG Incentive for per kilowatt hour Bill Credits provided to other non-eligible customers. The Company may offer, from time to time, through its RE Growth open enrollment process, the opportunity for Applicants to competitively bid for Company referrals of residential customers on the A-60 rate who would be eligible to receive credits under this incentive.

c. Performance Based Incentive Payment for Standard DG Projects and Shared Solar.

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have been awarded a Certificate of Eligibility for a DG Project will receive Performance-Based Incentive Payments in accordance with the rules specified in this section. Except for Shared Solar Facilities, Applicants may choose to receive Performance-Based Incentive Payments in the form of either cash or a combination of cash and Bill Credits. Shared Solar Facilities will receive Performance-Based Incentive Payments as a combination of cash payments and Bill Credits. Applicants will be responsible for designating Bill Credit Recipient billing account(s), and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For DG Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

- 1) Bill Credit Recipients
  - i. Standard DG Projects are not required to designate a Bill Credit Recipient. However, if Standard DG Projects choose to designate a Bill Credit Recipient, they may designate only the Customer as the sole Bill Credit Recipient.
  - ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
  - iii. Shared Solar Bill Credit Recipients must be in the same customer class (i.e. Residential or Non-Residential) but may be in different retail delivery service rate classes.
  - iv. The Bill Credit Recipients of Standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the

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same or adjacent parcels of land as the DG Project. Properties that are separated by a public way will not be considered to be adjacent. Applicants who operate a Shared Solar Facility on behalf of a Public Entity may designate Bill Credit Recipients without regard to physical location so long as the Shared Solar Facility's and Bill Credit Recipient's points of service, which must all belong to the same municipality or public entity, are located within the same municipality.

- v. The Applicant may make changes to the Bill Credit Recipients of a Shared Solar facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.
- vi. For Bill Credit Recipients enrolled in the Company's A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

## 2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's maximum annual limit, which is defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. A Bill Credit Recipient may request that the Company reset its three (3) year annual average use once three (3) years of billing history is available.

## 3) Calculation of Bill Credits Applicable to Bill Credit Recipients and Residual Cash Payments:

Before a DG Project begins to operate, an Applicant must notify the Company of the manner by which it will be compensated for its output under one of the two options below. Applicants with Shared Solar Facilities must select Option 2. Standard DG Projects may select Option 2 only if the DG Project can be configured to serve on-site load. If the Applicant selects Option 2, the DG Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Customer's On-Site Use or the aggregate On-site Use of all Bill Credit Recipients if the DG Project is a Shared Solar Facility, as measured over the previous three (3) years at the electric service account located at the Customer or Bill Credit Recipient's service location(s); 2) the annualized On-Site Use over the period of service to the Customer or Bill Credit Recipient's service location(s) if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the DG Project is located at a new service location. The Applicant may change the selection only one time after

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the DG Project begins to operate provided that the Applicant gives the Company no less than 60 days’ notice to implement the change. Additional changes to the method of compensation may be allowed at the discretion of the Company. The options are:

1. Option 1: Direct payment of the entire Performance-Based Incentive Payment in the form of a check or such other payment method that is mutually agreed upon by the Company and the Applicant; or
2. Option 2: A combination of direct payment and Bill Credit Recipient Bill Credits.

If the Applicant selects Option 2, the Performance-Based Incentive Payment shall be provided as follows:

The Bill Credit Recipient’s bill will be based upon the On-Site Use, the retail delivery service charges and the Last Resort Service or Non-Regulated Power Producer charges in effect during the billing period and which apply to the Bill Credit Recipient’s retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient’s bill. The Bill Credit will appear on the Bill Credit Recipient’s bill separate from the charges for on-site use.

$$BC = \text{ALLOC (kWh)} \times (\text{DC} + \text{TC} + \text{TrC} + \text{LRS})$$

Where:

BC = Bill Credit

ALLOC (kWh) = Bill Credit Recipient’s allocated generated kWh as determined per Section 8.c.(2)(i).

DC = the distribution charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TC = the Transmission Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

TrC = the Transition Charge per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

LRS = the Last Resort Service charge applicable to the Bill Credit Recipient’s retail delivery service rate class per RIPUC No. 2096, Summary of Last Resort Service Rates, as may be amended from time to time, exclusive of the renewable energy standard charge or credit.

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The Performance-Based Incentive Payment less the sum of the Bill Credits for all Bill Credit Recipients will be paid in the form a check (or another agreed-upon means) to the recipient as identified on the Application. The Bill Credit Recipients will be responsible for paying any balance due on the electric bill in accordance with the Terms and Conditions for Distribution Service.

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, the Bill Credit Recipients shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable Last Resort Service charges, excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipients or the recipient identified on the Application.

d. Performance-Based Incentive Payment for Community Remote Distributed Generation Systems

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have received a Certificate of Eligibility for a Community Remote Distributed Generation System will receive Performance-Based Incentive Payments in the form of Bill Credits applicable to a minimum of three (3) eligible Bill Credit Recipients and residual cash payments. Applicants will be responsible for designating Bill Credit Recipient billing accounts and other required information on the Customer Payment/Credit Transfer Form prior to the commercial operation date of the DG Project. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

1) Bill Credit Recipient Accounts

- i. No more than fifty percent (50%) of the kWh generated by the DG Project may be allocated to a single Bill Credit Recipient.
- ii. At least fifty percent (50%) of the kWh generated by the DG Project must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system.
- iii. Provided that the conditions specified in (i) and (ii) above have been met, there is no limit to the number of Bill Credit Recipients that may receive Bill Credits from the DG Project. However, the aggregate kWh transferred to Bill Credit Recipients during a 12-month period, may not exceed the aggregate three (3) year average on site use of the Bill Credit Recipients. For Bill Credit Recipients that have less than three (3) years of actual on-site use, a

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- projection of annual on-site use may be used until the actual three (3) year average on-site use becomes available for use in determining the number of eligible Bill Credit Recipients.
- iv. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules.
- 2) Allocation of kWh Generation to Bill Credit Recipients:
- i. Applicant must specify each Bill Credit Recipient's percentage share of the DG Project's output on the Customer Payment/Credit Transfer Form.
  - ii. On a monthly basis, and in the aggregate, generated kWh may be allocated to Bill Credit Recipients up to the amount of available generated kWh.
  - iii. Generated kWh available to allocate during a month is equal to the current month's generated kWh plus the cumulative generated kWh not allocated during prior months.
  - iv. Allocation of generated kWh to Bill Credit Recipient accounts in any billing month will not exceed each individual Bill Credit Recipient's on-site use during that month.
  - v. If available aggregate generated kWh is greater than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their monthly use, subject to the Bill Credit Recipient's annual maximum limit.
  - vi. If available aggregate generated kWh is less than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their designated percentage share of generator output, subject to the Bill Credit Recipient's annual maximum limit.
  - vii. Bill Credit Recipients will receive monthly kWh allocations as long as the cumulative annual allocation is less than the Bill Credit Recipient's maximum annual limit.
  - viii. Each Bill Credit Recipient's maximum annual allocation limit will be that Bill Credit Recipient's three (3) year annual average on-site use. For Bill Credit Recipient accounts that have not established a three-year on-site usage history, the maximum annual allocation limit will be estimated initially. Bill Credit Recipients may request that the Company reset their three (3) year annual average once three (3) years of billing history is available.
  - ix. Unallocated generated kWh for each month will be calculated as the monthly generated kWh less the sum of the generated kWh allocated to the Bill Credit Recipients for the month. Unallocated generated kWh will be cumulated on an annual basis and the cumulative unallocated generated kWh calculated for each month will be used to increase or decrease the available generated kWh for the subsequent month within the program year. Any unallocated kWh remaining at the end of the program year will be paid to the designated cash recipient pursuant to Section 8.d.3.
  - x. Each Applicant may change the specified Bill Credit Recipients associated with a CRDG facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

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- xi. For Bill Credit Recipients enrolled in the Company's A-60 Residential Rate, the maximum annual allocation limit will be either 70% or 75% of their three (3) year annual average on-site usage depending on whether they are receiving a 30% or 25% Low-Income Discount.

### 3) Calculation of Bill Credits Applicable to Bill Credit Recipients:

The Bill Credit Recipient's bill will be based upon the On-Site Use, the retail delivery service charges and the Last Resort Service or Non-Regulated Power Producer charges in effect during the billing period and which apply to the Bill Credit Recipient's retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient's bill. The Bill Credit will appear on the Bill Credit Recipient's bill separate from the charges for on-site use.

$$BC = \text{ALLOC (kWh)} \times \text{Bill Credit Rate}$$

Where:

$$BC = \text{Bill Credit}$$

$$\text{ALLOC (kWh)} = \text{Bill Credit Recipient's allocated generated kWh as determined per Section 8.d.2.}$$

BILL CREDIT RATE = a per kWh rate used to calculate each Bill Credit Recipient's monthly Bill Credit that may be either a fixed per kWh rate determined by the Applicant or the Default Bill Credit Rate. The Bill Credit Rate must be specified on the Customer Payment/Credit Transfer Form. The Default Bill Credit Rate is defined as the sum of the base Last Resort Service Rate, the Last Resort Service Adjustment Factor, the Last Resort Service Administrative Cost Adjustment Factor, the Transmission Service Cost Adjustment Factor, and the Non-bypassable Transition Service Charge, applicable to the Bill Credit Recipient's rate schedule in effect at the time of the application of the monthly Bill Credit to the Bill Credit Recipient's account. The fixed Bill Credit Rate must be equal to or less than the Default Bill Credit Rate in effect at the time that the Bill Credit Recipient's account information is submitted by the Applicant on the Customer Payment/Credit Transfer Form, and must be greater than the Minimum Bill Credit amount, as indicated in the Tariff Supplement for the Program Year in effect under which the Applicant received a Certificate of Eligibility. The Minimum Bill Credit amount will be calculated as 50% of the difference between the ceiling prices of non-CRDG facilities and CRDG facilities of the same technology and class, but in no case will be greater than 1.25¢ per kWh. The selection of the fixed or Default Bill Credit Rate applicable to each Bill Credit Recipient may not be changed once the initial selection is made.

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4) Payment of Residual Performance-Based Incentive Payment

- i. Cash payment to the Applicant or designated payment recipient for each month will be as follows:

$$\text{Cash Payment} = \text{Performance-Based Incentive Payment} - (\text{sum of Bill Credit Recipient Bill Credits}) - (\text{Unallocated Bill Credits})$$

Where

Unallocated Bill Credit=the unallocated generated kWh multiplied by the Default Bill Credit Rate applicable to the Applicant's rate class.

If the sum of the kWh allocated to the Bill Credit Recipients during a billing period is less than the monthly generation of the DG Project during the same period, the Unallocated Bill Credit will be calculated as the Default Bill Credit Rate multiplied by the difference between the monthly generated kWh and the sum of the kWh allocated to Bill Credit Recipients, and this amount will result in a decrease in the monthly cash payment.

If the sum of the kWh allocated to the Bill Credit Recipients during a billing period exceeds the monthly generation of the DG Project during the same period, but is less than the available generated kWh as defined in Section 8.d.2.ii, the Unallocated Bill Credit will be calculated as the Default Bill Credit Rate multiplied by the difference between the monthly generated kWh and the sum of the kWh allocated to Bill Credit Recipients, and this amount will result in an increase in the monthly cash payment.

- ii. Any unallocated generated kWh remaining at the end of the Program Year will be valued at the average ISO-NE Locational Marginal Pricing rate that was realized by the settlement of the output with ISO-NE over the course of the year and will be paid to the designated payment recipient in a lump sum.

e. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Award by October 1, 2017 are eligible to receive SolarWise Bonus payments. The PBI payments pursuant to Section 8.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

Payments under the appropriate SolarWise Bonus Tier will be made pursuant to Option 2 described above. All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average

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electric (kWh) usage of the customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

*Example: If a residential customer used an average of 10,000 kWh per year over the previous three years, and implemented energy savings of 2,000 kWh per year, the resulting SolarWise eligible system would be sized to produce no more than a maximum of 8,000 kWh in the course of a year. The maximum size of the customer's solar PV system (using a capacity factor of 14% for this example) would then decrease from 8.15 kW DC to 6.52 kW DC.*

*If a customer application included Excluded Technologies Adjustments, the system may be sized to include generation sufficient to power the eligible "Excluded Technologies." For example, if the customer example above also provided evidence of an electric vehicle in possession at the time of application that would consume 2,000 kWh per year, the eligible system size would increase to 8.15 kW, in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

The Company reserves the right to audit customers for compliance with commitments made to qualify for SolarWise Bonus Payments. If the requisite energy efficiency measures are not complete within twelve (12) months of the SolarWise application approval, the Company may withdraw the SolarWise Bonus Payment approval and the Tariff payments will revert to the applicable standard PBI without the SolarWise Bonus payment.

**9. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.
- b. The Applicant is required to comply with Company's Standards for Connecting Distributed Generation. Any application by applicants for Projects seeking to qualify for the Small-Scale Solar class for interconnection under the Standards for Connecting Distributed Generation that is not complete and accurate will be rejected by the Company, as allowed by the Standards for Connecting Distributed Generation, and the applicant will need to resubmit its application for interconnection and Certificate of Eligibility under this program as a new application.
- c. To be eligible to receive Renewable Net Metering Credits or excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, a DG Project and a Customer receiving credits from such a facility must comply with the applicable provisions of the Company's Net Metering Provision.

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- d. The Company's recovery of costs incurred to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.
- e. By participating in the Renewable Energy Growth Program and accepting a Certificate of Eligibility, all enrolled facilities shall be made available for inspection for quality and quantity assurance by the Rhode Island Office of Energy Resources, or its duly contracted agents, at the request of the Rhode Island Office of Energy Resources or its agent. Failure to allow such inspection with full access to the facility within 90 days from the date of the Office of Energy Resources' request for inspection will result in suspension of PBI payments until cured, and may result in termination of the Certificate of Eligibility after 180 days from the date of the Office of Energy Resources' request for inspection.

**10. Dispute Resolution**

If any dispute arises between the Company and either the Applicant or the Customer, the dispute shall be brought before the Commission for resolution. Such disputes may include but are not limited to those concerning the Rules, terms, conditions, rights, responsibilities, the termination of the Tariff or Tariff supplement, or the performance of the Applicant, the Customer, or the Company.

**11. Termination Provisions**

The Applicant and the Customer shall comply with the provision of this Tariff through the end of the term specified in the applicable Tariff supplement. The Applicant and the Customer may not terminate their obligations under this Tariff unless and until the Company consents to such termination. The Company will not unreasonably delay or withhold its consent to an Applicant's request to terminate if the Applicant cannot fulfill the obligations because of an event or circumstance that is beyond the Applicant's reasonable control and for which the Applicant could not prevent or provide against by using commercially reasonable efforts.

Only the DG Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a DG Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a DG Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, or the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, the Company may, after notifying the Customer or Applicant in writing of such non-compliance and providing the Customer or Applicant a reasonable period to remedy such non-compliance and the violation persists, request the Commission to review the non-compliance and determine appropriate action, which may include requiring the Customer or Applicant to comply with the applicable provision being violated or revoking the Customer's or Applicant's Certificate of Eligibility.

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12. **Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws. § 39-26.6-10. All revisions to the Tariff will be filed annually by November 15. Tariff supplements will be filed annually and following each scheduled RE Growth Program enrollment, as necessary. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2015 through March 31, 2016

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Facility, and the Term of Service for a particular DG Facility will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance –Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years
Medium-Scale Solar	26 to 250 kW	24.40¢	20 years

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Program Year: April 1, 2015 through March 31, 2016

Renewable Energy Class	Ceiling Price	Term of Service
Commercial-Scale Solar	20.95¢	20 years
Large-Scale Solar	16.70¢	20 years
Wind I (1.5MW to 2.99MW) with Investment Tax Credit	18.40¢	20 years
Wind I (1.5MW to 2.99MW) with Production Tax Credit	19.85¢	20 years
Wind I (1.5MW to 2.99MW) with No Federal Tax Incentives	22.75¢	20 years
Wind II (3.0MW to 5.0MW) with Investment Tax Credit	18.20¢	20 years
Wind II (3.0MW to 5.0MW) with Production Tax Credit	19.45¢	20 years
Wind II (3.0MW to 5.0MW) with No Federal Tax Incentives	22.35¢	20 years
Anaerobic Digestion (150kW to 1,000kW) with Production Tax Credit	20.20¢	20 years

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Renewable Energy Class	Ceiling Price	Term of Service
Anaerobic Digestion (150kW to 1,000kW) with No Federal Tax Incentives	20.60¢	20 years
Small-Scale Hydropower I (10kW to 250kW) with Production Tax Credit	19.80¢	20 years
Small-Scale Hydropower I (10kW to 250kW) with No Federal Tax Incentives	21.35¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) with Production Tax Credit	18.55¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) with No Federal Tax Incentives	20.10¢	20 years

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	System Size	Ceiling Price/ Standard Performance-Based Incentive (per kWh)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years
Medium-Scale Solar (including ITC/PTC & Bonus Depreciation)	26 to 250 kW	22.55¢	23.68¢	24.81¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar (including ITC/PTC & Bonus Depreciation)	19.30¢	20 years
Large-Scale Solar (including ITC/PTC & Bonus Depreciation)	15.10¢	20 years
Wind I (1.5MW to 2.99MW) (including ITC/PTC & Bonus Depreciation)	18.75¢	20 years
Wind II (3.0MW to 5.0MW, 2-turbine) (including ITC/PTC & Bonus Depreciation)	18.00¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine) (including ITC/PTC & Bonus Depreciation)	17.40¢	20 years
Anaerobic Digestion I (150kW to 500 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢	20 years
Anaerobic Digestion II (10kW to 250 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢	20 years
Small-Scale Hydropower I (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	18.65¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	17.45¢	20 years

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Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	34.75¢	36.49¢	38.23¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	30.85¢	32.39¢	33.94¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	27.05¢	n/a	n/a	27.59¢	28.13¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.05¢	n/a	n/a	24.53¢	25.01¢	20 years
Small-Scale Solar II	11 to 25 kW	27.75¢	29.14¢	30.53¢	n/a	n/a	20 years

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase(1)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase(1)	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	27.75¢	n/a	n/a	28.31¢	28.86¢	20 years
Medium-Scale Solar	26 to 250 kW	22.75¢	23.89¢	25.03¢	n/a	n/a	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

(1) SolarWise Bonus available only to DG Projects that have applied for and received approval for a SolarWise Bonus Tier prior to October 15, 2017.

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	18.75¢	20 years
Commercial-Scale Solar - CRDG	20.65¢	20 years
Large-Scale Solar	15.05¢	20 years
Large-Scale Solar – CRDG	16.85¢	20 years
Small Wind (10 to 999 kW)	21.45¢	20 years
Wind I (1.0MW to 2.99MW)	19.45¢	20 years
Wind I (1.0MW to 2.99MW) – CRDG	20.65¢	20 years
Wind II (3.0MW to 5.0MW, 2-turbine)	18.25¢	20 years

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Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Wind II (3.0MW to 5.0MW, 2-turbine) CRDG	19.35¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine)	17.35¢	20 years
Wind III (3.0MW to 5.0MW, 3-turbine) CRDG	18.55¢	20 years
Anaerobic Digestion I (150kW to 500 kW)	20.15¢	20 years
Anaerobic Digestion II (501kW to 1,000 kW)	20.15¢	20 years
Small-Scale Hydropower I (10kW to 250kW)	22.45¢	20 years
Small-Scale Hydropower II (251kW to 1,000kW)	22.45¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

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**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Wind I	0.600¢ per kWh
Wind II	0.550¢ per kWh
Wind III	0.600¢ per kWh
Commercial Solar	0.950¢ per kWh
Large Solar	0.950¢ per kWh

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Program Year: April 1, 2018 through March 31, 2019

Performance-Based Incentives and associated Performance-Based Incentive Payment shall remain in effect during the term of service noted below in accordance with R.I.G.L. § 39-26.6-20.

Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	32.25¢	15 years
Small-Scale Solar I	1 to 10 kW	28.55¢	20 years
Small-Scale Solar II	11 to 25 kW	29.45¢	20 years
Medium-Scale Solar	26 to 250 kW	24.95¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2018 through March 31, 2019

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	19.65¢	20 years
Commercial-Scale Solar - CRDG	22.45¢	20 years
Large-Scale Solar	16.45¢	20 years
Large-Scale Solar – CRDG	18.92¢	20 years
Small Wind (1 to 999 kW)	22.25¢	20 years
Large Wind (1.0MW to 5.0MW)	17.55¢	20 years
Large Wind – CRDG (1.0MW to 5.0MW)	19.35¢	20 years

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2018 through March 31, 2019

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Hydroelectric (1.0MW to 5.0MW)	24.55¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	20.55¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

### Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Large Wind	0.900¢ per kWh
Commercial Solar	1.250¢ per kWh
Large Solar	1.2350¢ per kWh

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Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	28.45¢	15 years
Small-Scale Solar I	1 to 10 kW	24.95¢	20 years
Small-Scale Solar II	11 to 25 kW	27.65¢	20 years
Medium-Scale Solar	26 to 250 kW	23.55¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

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Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2019 through March 31, 2020

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar	17.85¢	20 years
Commercial-Scale Solar - CRDG	20.53¢	20 years
Large-Scale Solar	15.15¢	20 years
Large-Scale Solar – CRDG	17.42¢	20 years
Small Wind (1 to 999 kW)	24.05¢	20 years
Large Wind (1.0MW to 5.0MW)	19.35¢	20 years
Large Wind – CRDG (1.0MW to 5.0MW)	21.65¢	20 years

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2019 through March 31, 2020

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Hydroelectric (1.0MW to 5.0MW)	27.15¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	20.85¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

### Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the current program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Large Wind	1.135¢ per kWh
Commercial Solar	1.250¢ per kWh
Large Solar	1.150¢ per kWh

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Tariff Supplement

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Term of Service represents the period of time during which the DG Project earns Performance-Based Incentive Payments. The billing month during which Performance-Based Incentive Payments begin will be specific to each individual DG Project, and the Term of Service for a particular DG Project will commence upon the first month of operation.

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 10 kW	29.65¢	15 years
Small-Scale Solar II	11 to 25 kW	23.45¢	20 years
Medium-Scale Solar	26 to 250 kW	21.15¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2020 through March 31, 2021

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar (251-999 kW DC)	18.25¢	20 years
Commercial-Scale Solar – CRDG (251-999 kW DC)	20.99¢	20 years
Large-Scale Solar – (1.0MW to 5.0MW)	13.65¢	20 years
Large-Scale Solar – CRDG - (1.0MW to 5.0MW)	15.70¢	20 years
Wind (up to 5.0MW)	18.85¢	20 years
Wind – CRDG (1.0MW to 5.0MW)	21.05¢	20 years
Anaerobic Digestion I (1.0MW to 5.0 MW)	15.35¢	20 years
Hydroelectric (1.0MW to 5.0MW)	21.45¢	20 years
Solar Carport Incentive	6¢	20 years

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

**Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities**

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Wind	1.10¢ per kWh
Commercial Solar	1.25¢ per kWh
Large Solar	1.03¢ per kWh

# Clean Version

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Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Term of Service
Small-Scale Solar I	1 to 15 kW DC	29.95¢	15 years
Small-Scale Solar II	16 to 25 kW DC	25.85¢	20 years
Medium-Scale Solar	26 to 250 kW DC	22.25¢	20 years

\*Note: Shared Solar Facilities will apply for the same capacity as, and receive the same ceiling price as, Small or Medium Scale Standard DG Projects.

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

Renewable Energy Class	Ceiling Price (per kWh)	Term of Service
Commercial-Scale Solar (251-750 kW DC)	19.05¢	20 years
Commercial-Scale Solar (751-999 kW DC)	15.75¢	20 years
Commercial-Scale Solar – CRDG (251-750 kW DC)	21.91¢	20 years
Commercial-Scale Solar – CRDG (751-999 kW DC)	18.11¢	20 years
Large-Scale Solar – (1.0MW to 5.0MW DC)	11.85¢	20 years
Large-Scale Solar – CRDG - (1.0MW to 5.0MW DC)	13.63¢	20 years
Wind (up to 5.0MW)	20.05¢	20 years
Wind – CRDG (up to 5.0MW)	22.45¢	20 years
Anaerobic Digestion I (up to 5.0 MW)	21.15¢	20 years
Hydroelectric (up to 5.0MW)	27.35¢	20 years
Solar Carport Incentive	5¢	20 years
Low-Income CRDG Incentive	3¢	Enrollment Dependent

\*Note: All ceiling prices are assumed to be inclusive of all eligible federal incentives.

# Clean Version

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
Tariff Supplement

Program Year: April 1, 2021 through March 31, 2022

### Minimum Bill Credit Amount for Community Remote Distributed Generation Facilities

The minimum bill credit is calculated as 50% of the difference between the ceiling prices for a Community Remote Distributed Generation project class and the standard ceiling price for the same facility size and technology, but in no case greater than 1.25¢. The Minimum Bill Credit Amounts for the program year are as follows:

Renewable Energy Class	Minimum Bill Credit
Wind	1.20¢ per kWh
Commercial Solar (251-750 kW)	1.25¢ per kWh
Commercial Solar (751-999 kW)	1.18¢ per kWh
Large Solar	0.89¢ per kWh



# PY 2021 Policy Adder Recommendations to the DG Board

October 26, 2020

**nationalgrid**



## Recap of Policy Adder Stakeholder Process

- April DG Board Meeting – established focus on beneficial siting and LMI for PY 2021
- July 13 stakeholder webinar – presented overview of adders under consideration and analytical approach
- August 18 stakeholder webinar – presented initial estimates of adder benefits.
- September 18 stakeholder webinar – presented initial full BCA results.
- September 29 DG Board Meeting – shared draft proposal for Low-Income CRDG Adder shared with DG Board and stakeholders for comment.
- October 6. Draft Proposal for Solar Carport Incentive Adder shared with stakeholders for comment.

**8 comment letters (from 4 stakeholders) were submitted on adder evaluation and draft proposals.**

## **PY 2021 Solar Carport Incentive – Draft Proposal Shared October 6**

- **Solar Carport Incentive Adder for PY 2021 of 4.5 cents/ kWh**
- **The Company noted that:**
  - Proposal is consistent with total PBI spread between carport and other selected projects in PY 2020
  - Also informed by lowest quartile up-front and opex incremental costs in SEA's incremental cost survey
  - Proposal did not yet reflect input from SEA's ongoing evaluation of the PY 2020 Solar Carport Incentive Adder.
  - *Additional refinements to adder value may be made pending final BCA and SEA's PY 2020 evaluation.*
- **The Company is not proposing any changes to definitions or calculation of the incentive**

## **PY 2021 Solar Carport Incentive – Summary of Stakeholder Feedback on Proposal Details and Revised Recommendation**

### **Comments:**

- Reduction in adder to 4.5 cents/kWh could reduce viability of projects (3 stakeholders)
- Continuity in incentive level important to project development (2 stakeholders)
- Adder should be extended to Medium-Scale Solar projects (1 stakeholder)
- *Following stakeholder feedback and further analysis, the Company recommends Solar Carport Incentive Adder for PY 2021 at 5 cents/ kWh*
  - The Company seeks to balance a meaningful incentive with encouragement of the most cost-effective carport projects given PUC concerns about adder costs.
  - Revision remains consistent with total PBI spread between carport and other selected projects in PY 2020 and lowest quartile up-front and opex incremental costs in SEA's incremental cost survey
- Capacity allocation for Solar Carport Incentive adder will be added for PY 2021 for Medium-Scale Solar

## **Low Income CRDG Adder Incentive Proposal Presented on September 29**

### **The Company recommends an adder for CRDG projects that enroll A-60 customers.**

- Proposed value of 3 cents/kWh for eligible rooftop and ground mount projects in commercial and large categories.
  - SEA's analysis suggested 2.4 - 2.5 cents/kWh for ground mount and 3.3 – 5.3 cents/kWh for rooftop (inclusive of incremental rooftop cost).
  
- Additional eligibility parameters for projects seeking to claim adder:
  - At least 20% of output must be allocated to enrolled A-60 customers; adder award will be proportional to share allocated to such customers.
  - Customers must be credited a minimum value per kWh of 2/3 of the adder value in addition to the minimum bill credit.

## Low-income CRDG Adder Incentive Proposal – Summary of Stakeholder Feedback and Final Proposal

### Comments:

- Adder should be extended to all types of REG projects to have the greatest impact on LMI engagement (2 stakeholders)
- Massachusetts SMART Program Guidelines Regarding Low-Income Generation Units can provide example for supporting verification of benefits to LMI customers under REG (1 stakeholder)

### Response:

- Ability to verify low-income savings will be essential. Additional work would need to be done to assess the incremental administrative and regulatory costs of pursuing multiple savings verification options as occurs under SMART in the context of RE Growth.
- Initial focus on CRDG projects is warranted from the perspective of cost-effectiveness and administrative simplicity, and will provide an opportunity to expand the benefits of solar to a broader group of A-60 customers. The Company is open to exploring options for future expansion of an LMI-focused adder.

*The Company recommends the Low-Income CRDG Adder Incentive as proposed.*

## Stakeholder feedback on other incentives considered

- **Medium-scale rooftop projects may be disadvantaged because they are more likely to be delayed and required to reapply (1 stakeholder).**
  - Company's data does not support that medium-scale rooftop projects are underrepresented in operational projects. More detail included in response to comments summary.
  - Rooftop project bids remain highly competitive.
  - Current data suggests adder would overcompensate projects that would happen in the absence of the adder and would not be a prudent use of customer dollars.
- **The Company is not adequately considering benefits of solar in its assessment of adders (2 stakeholders)**
  - The benefits of solar are in the baseline – the analysis considers the incremental costs associated with the adder, and thus only the differential benefits created by that adder.
  - This means that the adder is assumed to impact the mix of accepted projects by displacing typical projects with projects better aligned with the policy objective – the BCA counts those associated benefits.

The logo for National Grid, featuring the word "nationalgrid" in a white, lowercase, sans-serif font. The "n" is lowercase, while "ationalgrid" is lowercase. The "i" in "grid" has a small diamond shape above it. The logo is centered on a solid blue rectangular background.

nationalgrid



**Benefit and Cost Summary, Commercial-Scale Solar CRDG (500 kW)**

Benefit and Cost Summary	NPV (\$/kW)
<b>Costs</b>	
Adder Cost	\$ 408
Remuneration to NECO per REG Statute	\$ 7
<b>Benefits</b>	
Utility Cost Savings	\$ 24
Price Hedging	\$ 7
Participant Bill Savings	\$ 272
<b>Total Costs</b>	\$ 415
<b>Total Quantified Benefits</b>	\$ 303
BCA Ratio	0.73

**Benefit and Cost Summary, Large-Scale Solar CRDG (4500 kW)**

Benefit and Cost Summary	NPV (\$/kW)
<b>Costs</b>	
Adder Cost	\$ 403
Remuneration to NECO per REG Statute	\$ 7
<b>Benefits</b>	
Utility Cost Savings	\$ 24
Price Hedging	\$ 7
Participant Bill Savings	\$ 268
<b>Total Costs</b>	\$ 410
<b>Total Quantified Benefits</b>	\$ 300
BCA Ratio	0.73

No.	Mixed Benefit-Cost, Cost, or Benefit Category	Treatment in Benefit-Cost Analysis (Quantified, Qualified, Not Treated)	Notes	Benefit, cost, other
<b>Power System Level</b>				
1	Energy Supply & Transmission Operating Value of Energy Provided or Saved (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
2	Renewable Energy Credit Cost/Value	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
3	Retail Supplier Risk Premium (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
4	Forward Commitment Capacity Value (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
5	Forward commitment avoided ancillary services value (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
6	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	Cost of CRDG adder and remuneration.	Cost
7	Electric Transmission Capacity Value (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
8	Electric transmission infrastructure costs for Site Specific Resources	Assumed to be zero	No incremental transmission infrastructure cost expected for REG projects.	0
9	Net Risk Benefits to Utility System Operations from DER Flexibility & Diversity (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
10	Option value of individual resources (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
11	Investment under uncertainty: real options value (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
12	Energy Demand Reduction Induced Price Effect (DRIFE) (Power System Level)	N/A	No demand change between the two projects.	0
13	GHG Compliance Costs (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
14	Criteria Air Pollutant and Other Environmental Externality Costs (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
15	Innovation and learning by doing (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
16	Distribution Capacity Costs (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
17	Distribution Delivery Costs (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
18	Distribution system safety loss/gain (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
19	Distribution System Performance (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
20	Utility low income (Power System Level)	Assumed to be zero	Utility cost savings due to improved bill payment by low-income customers. Reductions in arrearages,	Benefit
21	Distribution System and Customer Reliability/Resilience Impacts (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
<b>Customer Level</b>				
22	Program participant / prosumer benefits / costs (Customer Level)	Assumed to be zero	No incremental benefits expected beyond those captured in item #24	0
23	Participant non-energy benefits: oil, gas, water, waste water (Customer Level)	Assumed to be zero	No incremental benefits expected in this category.	Undetermined
24	Low income participant benefits (Customer Level)	Quantified	Pricing hedging benefit based on analysis of energy efficiency benefits.	Benefit
25	Customer empowerment and choice (Customer Level)	Not quantified	Potential benefit for participants; not quantified.	Benefit
26	Non-participant rate and bill impacts (Customer Level)	Not quantified	Adder impacts on bills expected to be small and will ultimately depend on enrolled capacity.	Distributional impact (costs already captured in BCA)
<b>Societal Level</b>				
27	GHG Externality Cost (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
28	Criteria Air Pollutant and Other Environmental Externality Costs (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
29	Conservation and community benefits (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
	Conservation and community benefits (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
	Non-energy benefits: Economic Development (Societal Level)	Not quantified	Bill savings to participating low-income customers would be expected to result in higher state GDP due to the high likelihood of much of this value being spent locally. Current modeling tools do not represent low-income customer marginal propensity to consume.	Benefit
30	Innovation and knowledge spillover - related to demo projects and other RD&D (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
31	Societal low-income impacts (Societal Level)	Not quantified	Include improved equity, avoided harms related to high energy burden (reduced need to move, etc).	Benefit
32	Public Health (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0
33	National security and US international influence (Societal Level)	Assumed to be zero	Would not expect a meaningful difference between a CRDG project serving low-income customers and another same-size/technology CRDG project.	0

INPUTS

Project generation (kWh) Low-cost high-production scenario	Capacity Factor	y0	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20'
500 kW Ground Mount	15.2%		665,760	662,431	659,119	655,823	652,544	649,282	646,035	642,805	639,591	636,393	633,211	630,045	626,895	623,760	620,642	617,538	614,451	611,378	608,321	605,280
4500 kW Ground Mount	15.0%		5,913,000	5,883,435	5,854,018	5,824,748	5,795,624	5,766,646	5,737,813	5,709,124	5,680,578	5,652,175	5,623,914	5,595,795	5,567,816	5,539,977	5,512,277	5,484,715	5,457,292	5,430,005	5,402,855	5,375,841

Adder Value	cents/kWh
500 kW Ground Mount	3
4500 kW Ground Mount	3

Percent of Adder Shared with Customers 0.67

Assumed Capacity share per customer (kW)	
500 kW Ground Mount	4
4500 kW Ground Mount	4

Assumes that customers would subscribe to cover most of their energy use. With 4kW allocation typical subscriber will cover 80-90%, depending on year.

Number of customers with shares (assuming 100% to LMI customers)	
500 kW Ground Mount	125
4500 kW Ground Mount	1125

Calculated based on assumed capacity share

Remuneration rate to NECO per statute 1.75%

Utility Low-Income Benefits	Original study estimates in 2010 dollars	Study	Page	Link
Arrearages	\$ 2.61	MA Special and Cross-sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation	2-4	<a href="#">Link</a>
Bad-Debt Write-off	\$ 3.74	MA Special and Cross-sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation	2-4	<a href="#">Link</a>
Terminations & Reconnections	\$ 0.43	MA Special and Cross-sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation	2-4	<a href="#">Link</a>
Customer Calls & Collections	\$ 0.58	MA Special and Cross-sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation	2-4	<a href="#">Link</a>
Notices	\$ 0.34	MA Special and Cross-sector Studies Area, Residential and Low-Income Non-Energy Impacts (NEI) Evaluation	2-5	<a href="#">Link</a>
Low-income customer benefit	\$0.01	Additional Non-Energy Impacts for Low Income Programs	2	<a href="#">Link</a>
Price hedging	1.19	CPI Inflation Calculator <a href="https://www.bls.gov/data/inflation_calculator.htm">https://www.bls.gov/data/inflation_calculator.htm</a>		

**COSTS**

Cost of Adder Payment	y0	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	Total	NPV
500 kW Ground Mount		\$ 19,973	\$ 19,873	\$ 19,774	\$ 19,675	\$ 19,576	\$ 19,478	\$ 19,381	\$ 19,284	\$ 19,188	\$ 19,092	\$ 18,996	\$ 18,901	\$ 18,807	\$ 18,713	\$ 18,619	\$ 18,526	\$ 18,434	\$ 18,341	\$ 18,341	\$ 18,250	\$ 381,222	\$ 204,099
4500 kW Ground Mount		\$ 177,390	\$ 176,503	\$ 175,621	\$ 174,742	\$ 173,869	\$ 172,999	\$ 172,134	\$ 171,274	\$ 170,417	\$ 169,565	\$ 168,717	\$ 167,874	\$ 167,034	\$ 166,199	\$ 165,368	\$ 164,541	\$ 163,719	\$ 162,900	\$ 162,086	\$ 161,275	\$ 3,384,229	\$ 1,812,291

**Remuneration to NECO per statute (1.75%)**

500 kW Ground Mount		\$ 350	\$ 348	\$ 346	\$ 344	\$ 343	\$ 341	\$ 339	\$ 337	\$ 336	\$ 334	\$ 332	\$ 331	\$ 329	\$ 327	\$ 326	\$ 324	\$ 323	\$ 321	\$ 321	\$ 319	\$ 6,671	\$ 3,572
4500 kW Ground Mount		\$ 3,104	\$ 3,089	\$ 3,073	\$ 3,058	\$ 3,043	\$ 3,027	\$ 3,012	\$ 2,997	\$ 2,982	\$ 2,967	\$ 2,953	\$ 2,938	\$ 2,923	\$ 2,908	\$ 2,894	\$ 2,879	\$ 2,865	\$ 2,851	\$ 2,836	\$ 2,822	\$ 59,224	\$ 31,715

**BENEFITS**

Benefits below are calculated based on # of participating customers

**Utility Cost Savings**

Avoided arrears carrying costs		\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11	\$ 3.11
Bad debt write offs		\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45	\$ 4.45
Terminations and reconnections		\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69
Customer calls and collections activities		\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.51
Notices		\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40
Total (sum of utility avoided costs per participant)		\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16	\$ 9.16

**Total utility cost savings (above values summed over participating customers)**

500 kW Ground Mount		\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 1,145	\$ 22,908	\$ 12,134
4500 kW Ground Mount		\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 10,308	\$ 206,168	\$ 109,207

**Benefits to Participating Customers**

Price hedging (applied year one only as per kWh)		\$ 0.01																					
500 kW Ground Mount		\$ 3,828.12																				\$ 3,828.12	\$ 3,577.68
4500 kW Ground Mount		\$ 33,999.75																				\$ 33,999.75	\$ 31,775.47

**Bill savings per customer from adder (transfer of 2/3 of the adder value, included for completeness given that full cost of adder is shown)**

500 kW Ground Mount		\$ 13,315	\$ 13,249	\$ 13,182	\$ 13,116	\$ 13,051	\$ 12,986	\$ 12,921	\$ 12,856	\$ 12,792	\$ 12,728	\$ 12,664	\$ 12,601	\$ 12,538	\$ 12,475	\$ 12,413	\$ 12,351	\$ 12,289	\$ 12,228	\$ 12,166	\$ 12,106	\$254,026	\$136,034
4500 kW Ground Mount		\$ 118,260	\$ 117,669	\$ 117,080	\$ 116,495	\$ 115,912	\$ 115,333	\$ 114,756	\$ 114,182	\$ 113,612	\$ 113,044	\$ 112,478	\$ 111,916	\$ 111,356	\$ 110,800	\$ 110,246	\$ 109,694	\$ 109,146	\$ 108,600	\$ 108,057	\$ 107,517	\$2,256,153	\$1,208,194

**Additional savings from minimum bill credit (not counted in total benefits because it is a transfer that does not flow from adder payment)**

500 kW Ground Mount		\$ 8,322	\$ 8,280	\$ 8,239	\$ 8,198	\$ 8,157	\$ 8,116	\$ 8,075	\$ 8,035	\$ 7,995	\$ 7,955	\$ 7,915	\$ 7,876	\$ 7,836	\$ 7,797	\$ 7,758	\$ 7,719	\$ 7,681	\$ 7,642	\$ 7,604	\$ 7,566	\$158,766	\$85,021
4500 kW Ground Mount		\$ 52,626	\$ 52,363	\$ 52,101	\$ 51,840	\$ 51,581	\$ 51,323	\$ 51,067	\$ 50,811	\$ 50,557	\$ 50,304	\$ 50,053	\$ 49,803	\$ 49,554	\$ 49,306	\$ 49,059	\$ 48,814	\$ 48,570	\$ 48,327	\$ 48,085	\$ 47,845	\$1,003,988	\$537,646

**Total Costs**

500 kW Ground Mount		\$20,322	\$20,221	\$20,120	\$20,019	\$19,919	\$19,819	\$19,720	\$19,622	\$19,524	\$19,426	\$19,329	\$19,232	\$19,136	\$19,040	\$18,945	\$18,850	\$18,756	\$18,662	\$18,662	\$18,569	\$387,894	\$207,671
4500 kW Ground Mount		\$180,494	\$179,592	\$178,694	\$177,800	\$176,911	\$176,027	\$175,147	\$174,271	\$173,400	\$172,533	\$171,670	\$170,812	\$169,958	\$169,108	\$168,262	\$167,421	\$166,584	\$165,751	\$164,922	\$164,098	\$3,443,453	\$1,844,006

**Total Benefits (before economic impacts added)**

500 kW Ground Mount		\$18,289	\$14,394	\$14,328	\$14,262	\$14,196	\$14,131	\$14,066	\$14,001	\$13,937	\$13,873	\$13,810	\$13,746	\$13,683	\$13,621	\$13,558	\$13,496	\$13,434	\$13,373	\$13,312	\$13,251	\$280,762	\$151,745
4500 kW Ground Mount		\$162,568	\$127,977	\$127,389	\$126,803	\$126,221	\$125,641	\$125,065	\$124,491	\$123,920	\$123,352	\$122,787	\$122,224	\$121,665	\$121,108	\$120,554	\$120,003	\$119,454	\$118,908	\$118,365	\$117,825	\$2,496,320	\$1,349,176



SUMMARY TABLES

BCA Results Overview

Benefit Scenario	Project Class	NPV Costs (\$/kW)	NPV Benefits (\$/kW)	BCA Ratio
Low	Medium-Scale	\$ 616	\$ 568	0.92
	Commercial-Scale	\$ 616	\$ 513	0.83
	Large-Scale	\$ 616	\$ 392	0.64
Mid	Medium-Scale	\$ 616	\$ 868	1.41
	Commercial-Scale	\$ 616	\$ 745	1.21
	Large-Scale	\$ 616	\$ 465	0.76
High	Medium-Scale	\$ 616	\$ 2,495	4.05
	Commercial-Scale	\$ 616	\$ 1,640	2.66
	Large-Scale	\$ 616	\$ 701	1.14

BCA Results by Category

	\$NPV/kW by Benefit Scenario		
	Low	Mid	High
<b>Medium Scale Projects</b>			
<b>Costs</b>			
Adder Cost	\$ 605.48	\$ 605.48	\$ 605.48
Remuneration	\$ 10.60	\$ 10.60	\$ 10.60
Cost of reduced production	\$ -	\$ -	\$ -
<b>System Benefits</b>			
Avoided Interconnection Cost	\$ 138.41	\$ 151.68	\$ 151.68
Avoided Interconnection-related O&M	\$ 91.74	\$ 91.74	\$ 91.74
Avoided Interconnection-related Property Tax	\$ 53.85	\$ 59.01	\$ 59.01
<b>Societal Benefits</b>			
Avoided Lost Property Value	\$ 302.74	\$ 605.49	\$ 2,346.27
Avoided Lost Forest Carbon Storage	\$ -	\$ -	\$ -
Avoided Lost Forest Carbon Uptake	\$ -	\$ -	\$ -
Avoided Loss of Ecosystem Services	\$ 22.85	\$ 22.85	\$ 22.85
<b>Total Net Benefits</b>	\$ (6.48)	\$ 314.69	\$ 2,055.47
<b>Commercial Scale Projects</b>			
<b>Costs</b>			
Adder Cost	\$ 605.48	\$ 605.48	\$ 605.48
Remuneration	\$ 10.60	\$ 10.60	\$ 10.60
Cost of reduced production	\$ -	\$ -	\$ -
<b>System Benefits</b>			
Avoided Interconnection Cost	\$ 138.41	\$ 151.68	\$ 151.68
Avoided Interconnection-related O&M	\$ 91.74	\$ 91.74	\$ 91.74
Avoided Interconnection-related Property Tax	\$ 53.85	\$ 59.01	\$ 59.01
<b>Societal Benefits</b>			
Avoided Lost Property Value	\$ 230.35	\$ 460.70	\$ 1,266.92
Avoided Lost Forest Carbon Storage	\$ 9.34	\$ 9.34	\$ 133.47
Avoided Lost Forest Carbon Uptake	\$ 2.02	\$ 2.02	\$ 28.91
Avoided Loss of Ecosystem Services	\$ 24.68	\$ 24.68	\$ 24.68
<b>Total Net Benefits</b>	\$ (65.69)	\$ 183.10	\$ 1,140.33
<b>Large Scale Projects</b>			
<b>Costs</b>			
Adder Cost	\$ 605.48	\$ 605.48	\$ 605.48
Remuneration	\$ 10.60	\$ 10.60	\$ 10.60
Cost of reduced production	\$ 0.11	\$ 0.11	\$ 0.11
<b>System Benefits</b>			
Avoided Interconnection Cost	\$ 138.41	\$ 151.68	\$ 151.68
Avoided Interconnection-related O&M	\$ 91.74	\$ 91.74	\$ 91.74
Avoided Interconnection-related Property Tax	\$ 53.85	\$ 59.01	\$ 59.01
<b>Societal Benefits</b>			
Avoided Lost Property Value	\$ 60.38	\$ 120.75	\$ 332.07
Avoided Lost Forest Carbon Storage	\$ 26.20	\$ 26.20	\$ 59.32
Avoided Lost Forest Carbon Uptake	\$ 5.67	\$ 5.67	\$ 12.85
Avoided Loss of Ecosystem Services	\$ 43.67	\$ 43.67	\$ 43.67
<b>Total Net Benefits</b>	\$ (196.27)	\$ (117.46)	\$ 134.15

Summary of Varied Inputs by Scenario (See Inputs tab for detailed inputs)			
	Low	Mid	High
<b>Input</b>			
Avoided interconnection cost per kW	138.41	151.68	151.68
Percentage of projects with avoided lost property value			
<i>Medium-Scale</i>	17%	17%	44%
<i>Commercial Scale</i>	26%	26%	48%
<i>Large Scale</i>	31%	31%	85%
Percentage of estimated property value impact (\$5571) applied			
<i>Medium-Scale</i>	25%	50%	75%
<i>Commercial Scale</i>	25%	50%	75%
<i>Large Scale</i>	50%	100%	100%
Average # of acres of forest cleared by typical project			
<i>Medium-Scale</i>	0	0	0
<i>Commercial Scale</i>	0.21	0.21	3
<i>Large Scale</i>	5.3	5.3	12

**INPUTS**

**Carport project output – low-cost high production**

(KWh/year) from SEA analysis.	Capacity Factor	Degradation	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	
250	13.5%	0.5%	295,650	294,172	292,701		291,237	289,781	288,332	286,891	285,456	284,029	282,609	281,196	279,790	278,391	276,999	275,614	274,236	272,865	271,500	270,143	268,792
500	13.5%	0.5%	591,300	588,344	585,402		582,475	579,562	576,665	573,781	570,912	568,058	565,218	562,391	559,579	556,782	553,998	551,228	548,472	545,729	543,001	540,286	537,584
4500	13.5%	0.5%	5,321,700	5,295,092	5,268,616		5,242,273	5,216,062	5,189,981	5,164,031	5,138,211	5,112,520	5,086,958	5,061,523	5,036,215	5,011,034	4,985,979	4,961,049	4,936,244	4,911,563	4,887,005	4,862,570	4,838,257

**Assumed adder value by project size (kW)**

Project size (kW)	cents/kWh	All scenarios
250	5.00	All scenarios
500	5.00	All scenarios
4500	5.00	All scenarios

Incremental Remuneration to Company per Statute 1.75% All scenarios

**Avoided Interconnection Costs**

Reduced \$/kW from carport 151.68 Mid and High benefits cases. Calculation based on REG selected project data (difference of weighted average value of carport and selected projects)  
138.41 Low benefits case. Calculation based on REG selected project data (difference of average value of carport and selected projects)

Avoided interconnection costs by project size (\$/kW)	Mid and High Case	Low Case
250	\$ 37,920	\$34,603
500	\$ 75,840	\$69,205
4500	\$ 682,560	\$622,845

**Inflation rates**

Non-Labor Escalation (%) 2.26% All scenarios  
AESC Inflation 2.00% All scenarios. Was applied in developing nominal values for AESC inputs

Discount rate 6.97% All scenarios. Narragansett Electric After-tax Weighted Average Cost of Capital

**Tax and O&M inputs**

Annual Property Tax Rate for Location (Wt. RI Average) 3.71% All scenarios. NECO Average property tax rate for RI 2019  
Depreciation Rate (NECO (FERC Account #365)) 2.65% All scenarios. Depreciation rate for FERC account 365 per Docket 4770.  
Property value escalation rate 3.39% All scenarios. RI NWA deferral model based on FERC project assumptions  
Annual O&M Rate for Investment Type (FERC Account # 365) 5.30% All scenarios. Calculated from FERC Form 1 submitted 4/17/2020. Applied annually to relevant plant in service value

**Societal benefit inputs**

Forest acres cleared	Mean (Mid and Low)	Max (High Benefits Case)	158.5																		
250	0	0 Assumed to be zero given project footprint.																			
500	0.21	3 Developer data reported to company																			
0.12	5.3	12 Developer data reported to company																			
Carbon stored per acre (metric tons/acre)	76.2 All scenarios. Mean value average RI forest. RI Value of Forest Rhode Island Tree Council. "The Value of Rhode Island Forests." Prepared for RI DEM. August 2019. Available at: <a href="http://www.dem.ri.gov/programs/bnatres/forest/pdf/forest-value.pdf">http://www.dem.ri.gov/programs/bnatres/forest/pdf/forest-value.pdf</a>																				
Carbon uptake per year (metric tons/acre/yr)	1.31 All scenarios. Mean value average RI forest. RI Value of Forest Rhode Island Tree Council. "The Value of Rhode Island Forests." Prepared for RI DEM. August 2019. Available at: <a href="http://www.dem.ri.gov/programs/bnatres/forest/pdf/forest-value.pdf">http://www.dem.ri.gov/programs/bnatres/forest/pdf/forest-value.pdf</a>																				
\$ per short ton of CO2 (AESC 2018)	568 All scenarios. Value of avoided short ton of CO2 emissions from AESC 2018, original value in \$2018, adjusted to nominal dollars below																				
2018	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	72	74	75	77	78	80	81	83	85	86	88	90	92	93	95	97	99	101	103	105	107
Value of Ecosystem Services \$/acre/yr	5653 All scenarios. Implied value per acre/year from The Economy League of Greater Philadelphia, Econsult Corporation, and Keystone Conservation Trust. "The Economic Value of Protected Open Space in Southeastern Pennsylvania." Prepared for GreenSpace Alliance and the Delaware Valley Regional Planning Commission. January 2011. Available at: <a href="https://www.dvrpc.org/Products/11033A/">https://www.dvrpc.org/Products/11033A/</a>																				
2010	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	812	828	845	862	879	896	914	933	951	970	990	1010	1030	1050	1071	1093	1115	1137	1160	1183	1206

**Percent of approved projects that are rooftops**

Medium 0.66 All scenarios. Company calculation based on awarded projects in 2018-2020 applications  
Commercial 0.57 All scenarios. Company calculation based on awarded projects in 2018-2020 applications  
Large 0.00 All scenarios. Company calculation based on awarded projects in 2018-2020 applications

**Percent approved projects that are GM on rural OR developed industrial/manufacturing/distributed sites**

Medium 0.17 Company calculation based on awarded projects in 2018-2020 applications  
Commercial 0.17 Company calculation based on awarded projects in 2018-2020 applications  
Large 0.69 Company calculation based on awarded projects in 2018-2020 applications

For High benefits sensitivity (Percent of approved projects that are GM on developed industrial/manufacturing/disturbed sites); does not include rural  
Medium 0.1 Company calculation based on awarded projects in 2018-2020 applications  
Commercial 0.04 Company calculation based on awarded projects in 2018-2020 applications  
Large 0.2 Company calculation based on awarded projects in 2018-2020 applications

**Percent of projects with property value impact applied**

Medium 0.17 Company calculation based on awarded projects in 2018-2020 applications  
Commercial 0.26 Company calculation based on awarded projects in 2018-2020 applications  
Large 0.31 Company calculation based on awarded projects in 2018-2020 applications

High Benefits Case (includes application of property value to rural projects)/this value is applied for ecosystem services for all scenarios  
Medium 0.44 Company calculation based on awarded projects in 2018-2020 applications  
Commercial 0.48 Company calculation based on awarded projects in 2018-2020 applications  
Large 0.85 Company calculation based on awarded projects in 2018-2020 applications

**Average number of households 1 mile radius (mid and avoided property value loss from solar facility)**

317 All scenarios. Communication from Corey Lang to Kate Daniel at SEA.  
\$5,571 Scenario adjustments as noted below. Gaur, Vasundhara, and Corey Lang. Property Value Impacts of Commercial-Scale Solar Energy in Massachusetts and Rhode Island. University of Rhode Island. September 29, 2020. [https://works.bepress.com/corey\\_lang/33/](https://works.bepress.com/corey_lang/33/)

**Property value impact adjustor (Mid Case)**

Below 1 MW 0.5 Note: Guar and Lang sample is limited to projects > /-1 MW. Assumes property value impact is reduced by 50% for projects less than 1 MW.  
1 MW and above 1 Guar and Lang results based on sample size of projects 1 MW or greater.

**Property value impact adjustor (High Case)**

Below 1 MW 0.75 Note: Guar and Lang sample is limited to projects > /-1 MW. Assumes property value impact is 50% higher than in mid case for these projects.  
1 MW and above 1 Guar and Lang results based on sample size of projects 1 MW or greater.

**Property value impact adjustor (Low Case)**

Below 1 MW 0.25 Half of mid case values  
1 MW and above 0.5

**Conversion factors**

tons C to tons CO2 3.67 All scenarios. Standard conversion  
metric tons to short tons 1.10231 All scenarios. Standard conversion

**Land use per MW of solar PV (acres)**

Acres required for project sizes evaluated 5 All scenarios. SEIA. Calculations for project sizes below.  
250 kw 1.25  
500 kw 2.5  
4500 kw 22.5

No.	Mixed Benefit-Cost, Cost, or Benefit Category	Treatment in Benefit-Cost Analysis (Quantified, Qualified, Not Treated)	Notes	Benefit, cost, other
<b>Power System Level</b>				
1	Energy Supply & Transmission Operating Value of Energy Provided or Saved (Power System Level)	Quantified	Market value of incremental energy purchased by Company due to lower expected production from carport project.	Cost
2	Renewable Energy Credit Cost/Value	Quantified	Value of foregone RECs value due to lower production from carport project.	Benefit
3	Retail Supplier Risk Premium (Power System Level)	Quantified	Wholesale Risk Premium is built into the retail costs of electric energy from the AESC 2018 study and is included in the cost of incremental wholesale energy market purchases due to lower production from a carport project relative to a groundmount solar project	Cost
4	Forward Commitment Capacity Value (Power System Level)	Assumed to be zero	Projects are assumed to have the same peak coincidence factor and no meaningful difference in capacity value.	0
5	Forward commitment avoided ancillary services value (Power System Level)	Assumed to be zero	Would not expect a meaningful difference between the two types of projects.	0
6	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	Cost of carport adder	Cost
	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	Reduction in REG energy payments (excluding adder) due to lower carport production	Offset to cost
	Utility / Third Party Developer Renewable Energy, Efficiency, or DER costs	Quantified	Reduction in interconnection costs to developers	Benefit
7	Electric Transmission Capacity Value (Power System Level)	Assumed to be zero	No transmission capacity benefits would be expected from either project	0
8	Electric transmission infrastructure costs for Site Specific Resources	Assumed to be zero	No incremental transmission infrastructure cost expected for REG projects.	0
9	Net Risk Benefits to Utility System Operations from DER Flexibility & Diversity (Power System Level)	Assumed to be zero	No reason to expect this outcome to differ between projects.	0
10	Option value of individual resources (Power System Level)	Assumed to be zero	No reason to expect tthis outcome to differ between projects.	0
11	Investment under uncertainty: real options value (Power System Level)	Expected to be zero	No reason to expect this outcome to differ between projects.	0
12	Energy Demand Reduction Induced Price Effect (DRIPE) (Power System Level)	Quantified	Included in estimation of incremental emergy costs to customers due to lower production from carport.	Cost
13	GHG Compliance Costs (Power System Level)	Quantified	Included in estimation of incremental energy costs to customers due to lower production from carport.	Cost
14	Criteria Air Pollutant and Other Environmental Externality Costs (Power System Level)	Quantified	Included in estimation of incremental energy costs to customers due to lower production from carport.	Cost
15	Innovation and learning by doing (Power System Level)	Assumed to be zero	No reason to expect this outcome to differ between projects.	0
16	Distribution Capacity Costs (Power System Level)	Assumed to be zero	No reason to expect this outcome to differ between projects.	0
17	Distribution Delivery Costs (Power System Level)	Quantified	Reduction in O&M and tax costs associated with interconnection upgrades	Benefit
18	Distribution system safety loss/gain (Power System Level)	Assumed to be zero	Distribution system properties assumed to be the same for typical project and carport project.	0
19	Distribution System Performance (Power System Level)	Assumed to be zero	Distribution system properties assumed to be the same for typical project and carport project.	0
20	Utility low income (Power System Level)	Assumed to be zero	No reason to expect this outcome to differ between projects.	0
21	Distribution System and Customer Reliability/Resilience Impacts (Power System Level)	Assumed to be zero	No reason to expect this outcome to differ between projects.	0
<b>Customer Level</b>				
22	Program participant / prosumer benefits / costs (Customer Level)	Not quantified	Additional private economic costs and benefits to carport owners are not included.	Expected benefit
23	Participant non-energy benefits: oil, gas, water, waste water (Customer Level)	Not quantified	Additional private economic costs and benefits to carport owners are not included.	Undetermined
24	Low income participant benefits (Customer Level)	N/A	Commercial customers expected to be primary participants.	N/A
25	Customer empowerment and choice (Customer Level)	N/A		N/A
26	Non-participant rate and bill impacts (Customer Level)	Not quantified	Adder impacts on bills expected to be small.	
<b>Societal Level</b>				
27	GHG Externality Cost (Societal Level)	Quantified	Analysis of impacts of lower energy output from carport incudes impact of incremental GHG from wholesale market purchases.	Cost
	GHG Externality Cost (Societal Level)	Quantified	Captures GHG impact of forest clearing for project development.	Benefit
28	Criteria Air Pollutant and Other Environmental Externality Costs (Societal Level)	Quantified	Analysis of impacts of lower energy output from carport incudes impact of incremental NOx from wholesale market purchases.	Cost
29	Conservation and community benefits (Societal Level)	Quantified	Value of avoided loss of ecosystem services	Benefit
	Conservation and community benefits (Societal Level)	Quantified	Value of avoided loss of open space, based on property value impacts from greenfield projects.	Benefit
<b>Customer Level</b>				
	Non-energy benefits: Economic Development (Societal Level)	Not Quantified	Not quantified. Canopy construction would be the primary driver of economic development benefits.	Benefit
30	Innovation and knowledge spillover - related to demo projects and other RD&D (Societal Level)	Assumed to be zero	No reason to expect tthis outcome to differ between projects.	0
31	Societal low-income impacts (Societal Level)	Assumed to be zero	No reason to expect tthis outcome to differ between projects.	0
32	Public Health (Societal Level)	Assumed to be zero	No reason to expect tthis outcome to differ between projects.	0
33	National security and US international influence (Societal Level)	Assumed to be zero	No reason to expect tthis outcome to differ between projects.	0

**COST/BENEFIT CALCULATIONS**

	y0	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	Total	NPV		
<b>Adler cost</b>																									
250 kw			\$14,783	\$14,709	\$14,635	\$14,562	\$14,489	\$14,417	\$14,345	\$14,273	\$14,201	\$14,130	\$14,060	\$13,989	\$13,920	\$13,850	\$13,781	\$13,712	\$13,643	\$13,575	\$13,507	\$13,440	\$282,019	\$151,371	
500 kw			\$29,565	\$29,417	\$29,270	\$29,124	\$28,978	\$28,833	\$28,689	\$28,546	\$28,403	\$28,261	\$28,120	\$27,979	\$27,839	\$27,700	\$27,561	\$27,424	\$27,286	\$27,150	\$27,014	\$26,879	\$564,038	\$302,741	
4500 kw			\$266,085	\$264,755	\$263,431	\$262,114	\$260,803	\$259,499	\$258,202	\$256,911	\$255,626	\$254,348	\$253,076	\$251,811	\$250,552	\$249,299	\$248,052	\$246,812	\$245,578	\$244,350	\$243,128	\$241,913	\$5,076,344	\$2,724,670	
<b>Remuneration cost</b>																									
250 kw			\$359	\$357	\$356	\$355	\$354	\$353	\$352	\$351	\$350	\$349	\$347	\$346	\$345	\$344	\$343	\$342	\$340	\$339	\$338	\$336	\$335	\$4,935	\$2,649
500 kw			\$517	\$515	\$512	\$510	\$507	\$505	\$502	\$500	\$497	\$495	\$492	\$490	\$487	\$485	\$482	\$480	\$478	\$475	\$473	\$470	\$9,871	\$5,298	
4500 kw			\$4,656	\$4,633	\$4,610	\$4,587	\$4,564	\$4,541	\$4,519	\$4,496	\$4,473	\$4,451	\$4,429	\$4,407	\$4,385	\$4,363	\$4,341	\$4,319	\$4,298	\$4,276	\$4,255	\$4,233	\$88,836	\$47,682	
<b>Net System and Societal Impact Associated with Lower Capacity Factor (not included if savings)</b>																									
Note: See production penalty impact calculations on page 7; only totals and NPV reported on this sheet.																									
250 kw																						\$ -	\$ -		
500 kw																						\$ -	\$ -		
4500 kw																						\$ 84,035.80	\$ 480.17		
<b>Avoided Interconnection Cost</b>																									
250 kw		\$ 37,920																					\$37,920	\$37,920	
500 kw		\$ 75,840																					\$75,840	\$75,840	
4500 kw		\$ 682,560																					\$682,560	\$682,560	
<b>Interconnection-related O&amp;M</b>																									
250 kw			0	2,009.76	2,055.18	2,101.63	2,149.12	2,197.69	2,247.36	2,298.15	2,350.09	2,403.20	2,457.52	2,513.06	2,569.85	2,627.93	2,687.32	2,748.05	2,810.16	2,873.67	2,938.61	3,005.03	\$47,043	\$22,935	
500 kw			0	4,019.52	4,110.36	4,203.26	4,298.25	4,395.39	4,494.73	4,596.31	4,700.18	4,806.41	4,915.03	5,026.11	5,139.70	5,255.86	5,374.64	5,496.11	5,620.32	5,747.34	5,877.23	6,010.05	\$94,087	\$45,870	
4500 kw			0	36,175.68	36,993.25	37,829.30	38,684.24	39,558.50	40,452.53	41,366.75	42,301.64	43,257.66	44,235.28	45,235.00	46,257.31	47,302.73	48,371.77	49,464.97	50,582.88	51,726.05	52,895.06	54,090.49	\$846,781	\$412,829	
<b>Interconnection-related property tax savings</b>																									
<b>Reduction in Initial Taxable value</b>																									
250 kw		\$ 37,920	\$ 39,205	\$ 40,535	\$ 41,909	\$ 43,329	\$ 44,798	\$ 46,317	\$ 47,887	\$ 49,510	\$ 51,189	\$ 52,924	\$ 54,718	\$ 56,573	\$ 58,491	\$ 60,474	\$ 62,524	\$ 64,644	\$ 66,835	\$ 69,101	\$ 71,443	\$ 73,865			
500 kw		\$ 75,840	\$ 78,411	\$ 81,069	\$ 83,817	\$ 86,659	\$ 89,596	\$ 92,634	\$ 95,774	\$ 99,021	\$ 102,378	\$ 105,848	\$ 109,437	\$ 113,146	\$ 116,982	\$ 120,948	\$ 125,048	\$ 129,287	\$ 133,670	\$ 138,201	\$ 142,886	\$ 147,730			
4500 kw		\$ 682,560	\$ 705,699	\$ 729,622	\$ 754,356	\$ 779,929	\$ 806,368	\$ 833,704	\$ 861,967	\$ 891,188	\$ 921,399	\$ 952,634	\$ 984,929	\$ 1,018,318	\$ 1,052,839	\$ 1,088,530	\$ 1,125,431	\$ 1,163,583	\$ 1,202,029	\$ 1,241,811	\$ 1,282,976	\$ 1,325,571			
Depreciation timeline			100%	97.3500%	94.7000%	92.0500%	89.4000%	86.7500%	84.1000%	81.4500%	78.8000%	76.1500%	73.5000%	70.8500%	68.2000%	65.5500%	62.9000%	60.2500%	57.6000%	54.9500%					
<b>Reduction in Depreciated Value</b>																									
250 kw		\$ 37,920	\$ 38,167	\$ 38,386	\$ 38,577	\$ 38,736	\$ 38,862	\$ 38,953	\$ 39,004	\$ 39,014	\$ 38,980	\$ 38,899	\$ 38,768	\$ 38,583	\$ 38,341	\$ 38,038	\$ 37,671	\$ 37,235	\$ 36,726	\$ 36,140					
500 kw		\$ 75,840	\$ 76,333	\$ 76,772	\$ 77,154	\$ 77,473	\$ 77,725	\$ 77,905	\$ 78,008	\$ 78,028	\$ 77,961	\$ 77,798	\$ 77,536	\$ 77,166	\$ 76,682	\$ 76,076	\$ 75,341	\$ 74,469	\$ 73,452	\$ 72,279					
4500 kw		\$ 682,560	\$ 686,998	\$ 690,952	\$ 694,385	\$ 697,256	\$ 699,525	\$ 701,145	\$ 702,072	\$ 702,256	\$ 701,645	\$ 700,186	\$ 697,822	\$ 694,493	\$ 690,136	\$ 684,685	\$ 678,072	\$ 670,224	\$ 661,064	\$ 650,513					
<b>Tax Savings</b>																									
250 kw		\$ 1,407	\$ 1,416	\$ 1,424	\$ 1,431	\$ 1,437	\$ 1,442	\$ 1,445	\$ 1,447	\$ 1,447	\$ 1,446	\$ 1,443	\$ 1,438	\$ 1,431	\$ 1,422	\$ 1,411	\$ 1,397	\$ 1,381	\$ 1,362	\$ 1,341	\$26,967	\$14,752			
500 kw		\$ 2,813	\$ 2,831	\$ 2,848	\$ 2,862	\$ 2,874	\$ 2,883	\$ 2,890	\$ 2,894	\$ 2,894	\$ 2,892	\$ 2,886	\$ 2,876	\$ 2,862	\$ 2,844	\$ 2,822	\$ 2,795	\$ 2,762	\$ 2,725	\$ 2,681	\$53,933	\$29,504			
4500 kw		\$ 25,318	\$ 25,483	\$ 25,629	\$ 25,757	\$ 25,863	\$ 25,947	\$ 26,008	\$ 26,042	\$ 26,049	\$ 26,026	\$ 25,972	\$ 25,884	\$ 25,761	\$ 25,599	\$ 25,397	\$ 25,152	\$ 24,861	\$ 24,521	\$ 24,129	\$485,399	\$265,539			
<b>Avoided Property Value Loss</b>																									
250 kw		\$151,372																					\$151,372	\$151,372	
500 kw		\$230,349																					\$230,349	\$230,349	
4500 kw		\$543,387																					\$543,387	\$543,387	
<b>Avoided Lost Forest Carbon Storage</b>																									
250 kw		\$0																					\$0	\$0	
500 kw		\$4,671																					\$4,671	\$4,671	
4500 kw		\$117,899																					\$117,899	\$117,899	
<b>Avoided Lost Forest Carbon Uptake</b>																									
250 kw		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
500 kw		\$82	\$84	\$85	\$87	\$89	\$90	\$92	\$94	\$96	\$98	\$100	\$102	\$104	\$106	\$108	\$110	\$112	\$115	\$117	\$119	\$119	\$1,990	\$1,012	
4500 kw		\$2,067	\$2,109	\$2,151	\$2,194	\$2,238	\$2,283	\$2,328	\$2,375	\$2,422	\$2,471	\$2,520	\$2,571	\$2,622	\$2,674	\$2,728	\$2,782	\$2,838	\$2,895	\$2,953	\$3,012	\$3,012	\$50,233	\$25,535	
<b>Avoided Loss of Ecosystem Services</b>																									
250 kw		\$449.46	\$458.45	\$467.62	\$476.97	\$486.51	\$496.24	\$506.16	\$516.29	\$526.61	\$537.14	\$547.89	\$558.84	\$570.02	\$581.42	\$593.05	\$604.91	\$617.01	\$629.35	\$641.94	\$654.77	\$667.87	\$11,589	\$5,713	
500 kw		\$970.78	\$990.19	\$1,010.00	\$1,030.20	\$1,050.80	\$1,071.82	\$1,093.25	\$1,115.12	\$1,137.42	\$1,160.17	\$1,183.37	\$1,207.04	\$1,231.18	\$1,255.80	\$1,280.92	\$1,306.54	\$1,332.67	\$1,359.32	\$1,386.51	\$1,414.24	\$1,442.53	\$25,030	\$12,340	
4500 kw		\$15,457.77	\$15,766.93	\$16,082.27	\$16,403.91	\$16,731.99	\$17,066.63	\$17,407.96	\$17,756.12	\$18,111.24	\$18,473.47	\$18,842.94	\$19,219.80	\$19,604.19	\$19,996.28	\$20,396.20	\$20,804.13	\$21,220.21	\$21,644.61	\$22,077.51	\$22,519.06	\$22,969.44	\$398,553	\$196,499	
<b>Total Benefits</b>																									
250 kw		\$189,741	\$458	\$3,884	\$3,948	\$4,012	\$4,076	\$4,141	\$4,205	\$4,270	\$4,334	\$4,398	\$4,462	\$4,526	\$4,589	\$4,652	\$4,714	\$4,776	\$4,837	\$4,897	\$4,956	\$5,013	\$274,891	\$217,004	
500 kw		\$311,831	\$1,072	\$7,926	\$8,057	\$8,189	\$8,321	\$8,453	\$8,585	\$8,718	\$8,850	\$8,982	\$9,114	\$9,245	\$9,375	\$9,505	\$9,634	\$9,761	\$9,887	\$10,011	\$10,133	\$10,253	\$485,900	\$372,557	
4500 kw		\$1,359,304	\$17,834	\$79,685	\$81,031	\$82,385	\$83,746	\$85,112	\$86,484	\$87,860	\$89,239	\$90,620	\$92,001	\$93,382	\$94,760	\$96,134	\$97,503	\$98,865	\$100,217	\$101,559	\$102,888	\$104,201	\$3,124,811	\$2,094,644	
<b>Total Costs</b>																									
250 kw		\$0	\$15,041	\$14,966	\$14,891	\$14,817	\$14,743	\$14,669	\$14,596	\$14,523	\$14,450	\$14,378	\$14,306	\$14,234	\$14,163	\$14,092	\$14,022	\$13,952	\$13,882	\$13,813	\$13,744	\$13,675	\$282,029	\$154,020	
500 kw		\$0	\$30,082	\$29,932	\$29,782	\$29,633	\$29,485	\$29,338	\$29,191	\$29,045	\$28,900	\$28,755	\$28,612	\$28,469	\$28,326	\$28,185	\$28,044	\$27,903	\$27,764	\$27,625	\$27,487	\$27,350	\$564,048	\$308,039	
4500 kw		\$0	\$270,741	\$269,388	\$268,041	\$266,701	\$265,367	\$264,040	\$262,720	\$261,406	\$260,099	\$258,799	\$257,505	\$256,217	\$254,936	\$253,662	\$252,393	\$251,131	\$249,876	\$248,626	\$247,383	\$246,146	\$5,160,390	\$2,772,832	

BCA ratio	1.41
	1.21
	0.76

**COST/BENEFIT CALCULATIONS**

	y0	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	Total	NPV	
<b>Adder cost</b>																								
250 kw		\$14,783	\$14,709	\$14,635	\$14,562	\$14,489	\$14,417	\$14,345	\$14,273	\$14,201	\$14,130	\$14,060	\$13,989	\$13,920	\$13,850	\$13,781	\$13,712	\$13,643	\$13,575	\$13,507	\$13,440	\$282,019	\$151,371	
500 kw		\$29,565	\$29,417	\$29,270	\$29,124	\$28,978	\$28,833	\$28,689	\$28,546	\$28,403	\$28,261	\$28,120	\$27,979	\$27,839	\$27,700	\$27,561	\$27,424	\$27,286	\$27,150	\$27,014	\$26,879	\$564,038	\$302,741	
4500 kw		\$266,085	\$264,755	\$263,431	\$262,114	\$260,803	\$259,499	\$258,202	\$256,911	\$255,626	\$254,348	\$253,076	\$251,811	\$250,552	\$249,299	\$248,052	\$246,812	\$245,578	\$244,350	\$243,128	\$241,913	\$5,076,344	\$2,724,670	
<b>Remuneration cost</b>																								
250 kw		\$259	\$257	\$256	\$255	\$254	\$252	\$251	\$250	\$249	\$247	\$246	\$245	\$244	\$242	\$241	\$240	\$239	\$238	\$236	\$235	\$4,935	\$2,649	
500 kw		\$517	\$515	\$512	\$510	\$507	\$505	\$502	\$500	\$497	\$495	\$492	\$490	\$487	\$485	\$482	\$480	\$478	\$475	\$473	\$470	\$9,871	\$5,298	
4500 kw		\$4,656	\$4,633	\$4,610	\$4,587	\$4,564	\$4,541	\$4,519	\$4,496	\$4,473	\$4,451	\$4,429	\$4,407	\$4,385	\$4,363	\$4,341	\$4,319	\$4,298	\$4,276	\$4,255	\$4,233	\$88,836	\$47,682	
<b>Net System and Societal Impact Associated with Lower Capacity Factor (not included if savings)</b>																								
250 kw																						\$ -	\$ -	
500 kw																						\$ -	\$ -	
4500 kw																						\$ 84,035.80	\$ 480.17	
<b>Avoided Interconnection Cost</b>																								
250 kw		\$ 34,603																				\$34,603	\$34,603	
500 kw		\$ 69,205																				\$69,205	\$69,205	
4500 kw		\$ 622,845																				\$622,845	\$622,845	
<b>Interconnection-related O&amp;M</b>																								
250 kw		0	\$ 2,010	\$ 2,055	\$ 2,102	\$ 2,149	\$ 2,198	\$ 2,247	\$ 2,298	\$ 2,350	\$ 2,403	\$ 2,458	\$ 2,513	\$ 2,570	\$ 2,628	\$ 2,687	\$ 2,748	\$ 2,810	\$ 2,874	\$ 2,939	\$ 3,005	\$47,043	\$22,935	
500 kw		0	\$ 4,020	\$ 4,110	\$ 4,203	\$ 4,298	\$ 4,395	\$ 4,495	\$ 4,596	\$ 4,700	\$ 4,806	\$ 4,915	\$ 5,026	\$ 5,140	\$ 5,256	\$ 5,375	\$ 5,496	\$ 5,620	\$ 5,747	\$ 5,877	\$ 6,010	\$94,087	\$45,870	
4500 kw		0	\$ 36,176	\$ 36,993	\$ 37,829	\$ 38,684	\$ 39,559	\$ 40,453	\$ 41,367	\$ 42,302	\$ 43,258	\$ 44,235	\$ 45,235	\$ 46,257	\$ 47,303	\$ 48,372	\$ 49,465	\$ 50,583	\$ 51,726	\$ 52,895	\$ 54,090	\$846,781	\$412,829	
<b>Interconnection-related property tax savings</b>																								
<b>Reduction in Initial Taxable value</b>																								
250 kw		\$ 34,603	\$ 35,776	\$ 36,988	\$ 38,242	\$ 39,539	\$ 40,879	\$ 42,265	\$ 43,698	\$ 45,179	\$ 46,710	\$ 48,294	\$ 49,931	\$ 51,624	\$ 53,374	\$ 55,183	\$ 57,054	\$ 58,988	\$ 60,988	\$ 63,055	\$ 65,193	\$ 67,403		
500 kw		\$ 69,205	\$ 71,551	\$ 73,977	\$ 76,484	\$ 79,077	\$ 81,758	\$ 84,530	\$ 87,395	\$ 90,358	\$ 93,421	\$ 96,588	\$ 99,862	\$ 103,248	\$ 106,748	\$ 110,366	\$ 114,108	\$ 117,976	\$ 121,975	\$ 126,110	\$ 130,386	\$ 134,806		
4500 kw		\$ 622,845	\$ 643,959	\$ 665,790	\$ 688,360	\$ 711,695	\$ 735,822	\$ 760,766	\$ 786,556	\$ 813,220	\$ 840,789	\$ 869,291	\$ 898,760	\$ 929,228	\$ 960,729	\$ 993,298	\$ 1,026,971	\$ 1,061,785	\$ 1,097,779	\$ 1,134,994	\$ 1,173,470	\$ 1,213,251		
Depreciation timeline			100%	97%	95%	92%	89%	87%	84%	81%	79%	76%	74%	71%	68%	66%	63%	60%	58%	55%	52%			
<b>Reduction in Depreciated Value</b>																								
250 kw		\$ 34,603	\$ 34,827	\$ 35,028	\$ 35,202	\$ 35,348	\$ 35,463	\$ 35,545	\$ 35,592	\$ 35,601	\$ 35,570	\$ 35,496	\$ 35,376	\$ 35,207	\$ 34,987	\$ 34,710	\$ 34,375	\$ 33,977	\$ 33,513	\$ 32,978				
500 kw		\$ 69,205	\$ 69,655	\$ 70,056	\$ 70,404	\$ 70,695	\$ 70,925	\$ 71,089	\$ 71,183	\$ 71,202	\$ 71,140	\$ 70,992	\$ 70,752	\$ 70,415	\$ 69,973	\$ 69,420	\$ 68,750	\$ 67,954	\$ 67,026	\$ 65,956				
4500 kw		\$ 622,845	\$ 626,895	\$ 630,503	\$ 633,635	\$ 636,256	\$ 638,325	\$ 639,804	\$ 640,650	\$ 640,818	\$ 640,260	\$ 638,929	\$ 636,772	\$ 633,734	\$ 629,758	\$ 624,784	\$ 618,750	\$ 611,588	\$ 603,230	\$ 593,602				
<b>Tax Savings</b>																								
250 kw		\$ 1,284	\$ 1,292	\$ 1,299	\$ 1,306	\$ 1,311	\$ 1,315	\$ 1,318	\$ 1,320	\$ 1,321	\$ 1,319	\$ 1,317	\$ 1,312	\$ 1,306	\$ 1,298	\$ 1,288	\$ 1,275	\$ 1,260	\$ 1,243	\$ 1,223	\$24,607	\$13,462		
500 kw		\$ 2,567	\$ 2,584	\$ 2,599	\$ 2,611	\$ 2,622	\$ 2,631	\$ 2,637	\$ 2,640	\$ 2,641	\$ 2,639	\$ 2,633	\$ 2,624	\$ 2,612	\$ 2,596	\$ 2,575	\$ 2,550	\$ 2,521	\$ 2,486	\$ 2,446	\$49,215	\$26,923		
4500 kw		\$ 23,103	\$ 23,253	\$ 23,387	\$ 23,503	\$ 23,601	\$ 23,677	\$ 23,732	\$ 23,764	\$ 23,770	\$ 23,749	\$ 23,700	\$ 23,620	\$ 23,507	\$ 23,360	\$ 23,175	\$ 22,951	\$ 22,686	\$ 22,376	\$ 22,018	\$442,933	\$242,308		
<b>Avoided Property Value Loss</b>																								
250 kw		\$75,686																				\$75,686	\$75,686	
500 kw		\$115,174																				\$115,174	\$115,174	
4500 kw		\$271,693																				\$271,693	\$271,693	
<b>Avoided Lost Forest Carbon Storage</b>																								
250 kw		\$0																				\$0	\$0	
500 kw		\$4,671																				\$4,671	\$4,671	
4500 kw		\$117,899																				\$117,899	\$117,899	
<b>Avoided Lost Forest Carbon Uptake</b>																								
250 kw		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
500 kw		\$82	\$84	\$85	\$87	\$89	\$90	\$92	\$94	\$96	\$98	\$100	\$102	\$104	\$106	\$108	\$110	\$112	\$115	\$117	\$119	\$1,990	\$1,012	
4500 kw		\$2,067	\$2,109	\$2,151	\$2,194	\$2,238	\$2,283	\$2,328	\$2,375	\$2,422	\$2,471	\$2,520	\$2,571	\$2,622	\$2,674	\$2,728	\$2,782	\$2,838	\$2,895	\$2,953	\$3,012	\$50,233	\$25,535	
<b>Avoided Loss of Ecosystem Services</b>																								
250 kw		\$458.45	\$467.62	\$476.97	\$486.51	\$496.24	\$506.16	\$516.29	\$526.61	\$537.14	\$547.89	\$558.84	\$570.02	\$581.42	\$593.05	\$604.91	\$617.01	\$629.35	\$641.94	\$654.77	\$667.87	\$11,589	\$5,713	
500 kw		\$970.78	\$990.19	\$1,010.00	\$1,030.20	\$1,050.80	\$1,071.82	\$1,093.25	\$1,115.12	\$1,137.42	\$1,160.17	\$1,183.37	\$1,207.04	\$1,231.18	\$1,255.80	\$1,280.92	\$1,306.54	\$1,332.67	\$1,359.32	\$1,386.51	\$1,414.24	\$1,442.53	\$25,030	\$12,340
4500 kw		\$15,457.77	\$15,766.93	\$16,082.27	\$16,403.91	\$16,731.99	\$17,066.63	\$17,407.96	\$17,756.12	\$18,111.24	\$18,473.47	\$18,842.94	\$19,219.80	\$19,604.19	\$19,996.28	\$20,396.20	\$20,804.13	\$21,220.21	\$21,644.61	\$22,077.51	\$22,519.06	\$22,969.44	\$398,553	\$196,499
<b>Total Benefits</b>																								
250 kw		\$110,738	\$458	\$3,761	\$3,824	\$3,887	\$3,951	\$4,015	\$4,143	\$4,207	\$4,272	\$4,336	\$4,400	\$4,463	\$4,527	\$4,590	\$4,653	\$4,715	\$4,778	\$4,836	\$4,896	\$193,528	\$142,021	
500 kw		\$190,022	\$1,072	\$7,680	\$7,809	\$7,940	\$8,070	\$8,201	\$8,333	\$8,465	\$8,597	\$8,729	\$8,861	\$8,992	\$9,124	\$9,255	\$9,385	\$9,514	\$9,642	\$9,769	\$9,895	\$10,018	\$359,373	\$256,429
4500 kw		\$1,027,895	\$17,834	\$77,470	\$78,801	\$80,142	\$81,492	\$82,850	\$84,214	\$85,585	\$86,961	\$88,341	\$89,724	\$91,110	\$92,495	\$93,880	\$95,263	\$96,643	\$98,017	\$99,384	\$100,742	\$102,090	\$2,750,936	\$1,764,527
<b>Total Costs</b>																								
250 kw		\$0	\$15,041	\$14,966	\$14,891	\$14,817	\$14,743	\$14,669	\$14,596	\$14,523	\$14,450	\$14,378	\$14,306	\$14,234	\$14,163	\$14,092	\$14,022	\$13,952	\$13,882	\$13,813	\$13,744	\$13,675	\$286,954	\$154,020
500 kw		\$0	\$30,082	\$29,932	\$29,782	\$29,633	\$29,485	\$29,338	\$29,191	\$29,045	\$28,890	\$28,735	\$28,581	\$28,426	\$28,271	\$28,116	\$27,961	\$27,806	\$27,651	\$27,496	\$27,341	\$27,186	\$573,909	\$308,039
4500 kw		\$0	\$270,741	\$269,388	\$268,041	\$266,701	\$265,367	\$264,040	\$262,720	\$261,406	\$260,099	\$258,799	\$257,505	\$256,217	\$254,936	\$253,662	\$252,393	\$251,131	\$249,876	\$248,626	\$247,383	\$246,146	\$5,249,216	\$2,772,832

BCA ratio	0.92
	0.83
	0.64

**COST/BENEFIT CALCULATIONS**

	y0	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	Total	NPV	
<b>Cost/Benefit Calculations</b>																								
<b>Cost</b>																								
<b>Adder cost</b>																								
250 kw		\$14,783	\$14,709	\$14,635	\$14,562	\$14,489	\$14,417	\$14,345	\$14,273	\$14,201	\$14,130	\$14,060	\$13,989	\$13,920	\$13,850	\$13,781	\$13,712	\$13,643	\$13,575	\$13,507	\$13,440	\$282,019	\$151,371	
500 kw		\$29,565	\$29,417	\$29,270	\$29,124	\$28,978	\$28,833	\$28,689	\$28,546	\$28,403	\$28,261	\$28,120	\$27,979	\$27,839	\$27,700	\$27,561	\$27,424	\$27,286	\$27,150	\$27,014	\$26,879	\$564,038	\$302,741	
4500 kw		\$266,085	\$264,755	\$263,431	\$262,114	\$260,803	\$259,499	\$258,202	\$256,911	\$255,626	\$254,348	\$253,076	\$251,811	\$250,552	\$249,299	\$248,052	\$246,812	\$245,578	\$244,350	\$243,128	\$241,913	\$5,076,344	\$2,724,670	
<b>Remuneration cost</b>																								
250 kw		\$259	\$257	\$256	\$255	\$254	\$252	\$251	\$250	\$249	\$247	\$246	\$245	\$244	\$242	\$241	\$240	\$239	\$238	\$236	\$235	\$4,935	\$2,649	
500 kw		\$517	\$515	\$512	\$510	\$507	\$505	\$502	\$500	\$497	\$495	\$492	\$490	\$487	\$485	\$482	\$480	\$478	\$475	\$473	\$470	\$9,871	\$5,298	
4500 kw		\$4,656	\$4,633	\$4,610	\$4,587	\$4,564	\$4,541	\$4,519	\$4,496	\$4,473	\$4,451	\$4,429	\$4,407	\$4,385	\$4,363	\$4,341	\$4,319	\$4,298	\$4,276	\$4,255	\$4,233	\$88,836	\$47,682	
<b>Net System and Societal Impact Associated with Lower Capacity Factor (not included if savings)</b>																								
250 kw																						\$ -	\$ -	
500 kw																						\$ -	\$ -	
4500 kw																						\$84,035.80	\$ 480.17	
<b>Avoided Interconnection Cost</b>																								
250 kw		\$ 37,920																				\$37,920	\$37,920	
500 kw		\$ 75,840																				\$75,840	\$75,840	
4500 kw		\$ 682,560																				\$682,560	\$682,560	
<b>Interconnection-related O&amp;M</b>																								
250 kw		0	2,010	2,055	2,102	2,149	2,198	2,247	2,298	2,350	2,403	2,458	2,513	2,570	2,628	2,687	2,748	2,810	2,874	2,939	2,999	3,005	\$47,043	\$22,935
500 kw		0	4,020	4,110	4,203	4,298	4,395	4,495	4,596	4,700	4,806	4,915	5,026	5,140	5,256	5,375	5,496	5,620	5,747	5,877	6,010	\$94,087	\$45,870	
4500 kw		0	36,176	36,993	37,829	38,684	39,559	40,453	41,367	42,302	43,258	44,235	45,235	46,257	47,303	48,372	49,465	50,583	51,726	52,895	54,090	\$846,781	\$412,829	
<b>Interconnection-related property tax savings</b>																								
<b>Reduction in Initial Taxable value</b>																								
250 kw		\$ 37,920	\$ 39,205	\$ 40,535	\$ 41,909	\$ 43,329	\$ 44,798	\$ 46,317	\$ 47,887	\$ 49,510	\$ 51,189	\$ 52,924	\$ 54,718	\$ 56,573	\$ 58,491	\$ 60,474	\$ 62,524	\$ 64,644	\$ 66,835	\$ 69,101	\$ 71,443	\$ 73,865		
500 kw		\$ 75,840	\$ 78,411	\$ 81,069	\$ 83,817	\$ 86,659	\$ 89,596	\$ 92,634	\$ 95,774	\$ 99,021	\$ 102,378	\$ 105,848	\$ 109,437	\$ 113,146	\$ 116,982	\$ 120,948	\$ 125,048	\$ 129,287	\$ 133,670	\$ 138,201	\$ 142,886	\$ 147,730		
4500 kw		\$ 682,560	\$ 705,699	\$ 729,622	\$ 754,356	\$ 779,929	\$ 806,368	\$ 833,704	\$ 861,967	\$ 891,188	\$ 921,399	\$ 952,634	\$ 984,929	\$ 1,018,318	\$ 1,052,839	\$ 1,088,530	\$ 1,125,431	\$ 1,163,583	\$ 1,203,029	\$ 1,243,811	\$ 1,285,976	\$ 1,329,571		
Deprecation timeline			100%	97%	95%	92%	89%	87%	84%	81%	79%	76%	74%	71%	68%	66%	63%	60%	58%	55%	52%			
<b>Reduction in Depreciated Value</b>																								
250 kw		\$ 37,920	\$ 38,167	\$ 38,386	\$ 38,577	\$ 38,736	\$ 38,862	\$ 38,953	\$ 39,004	\$ 39,014	\$ 38,980	\$ 38,899	\$ 38,768	\$ 38,593	\$ 38,341	\$ 38,038	\$ 37,671	\$ 37,235	\$ 36,726	\$ 36,140				
500 kw		\$ 75,840	\$ 76,333	\$ 76,772	\$ 77,154	\$ 77,473	\$ 77,725	\$ 77,905	\$ 78,008	\$ 78,028	\$ 77,961	\$ 77,798	\$ 77,536	\$ 77,166	\$ 76,682	\$ 76,076	\$ 75,341	\$ 74,469	\$ 73,452	\$ 72,279				
4500 kw		\$ 682,560	\$ 686,998	\$ 690,952	\$ 694,385	\$ 697,256	\$ 699,525	\$ 701,145	\$ 702,072	\$ 702,256	\$ 701,645	\$ 700,186	\$ 697,822	\$ 694,493	\$ 690,136	\$ 684,685	\$ 678,072	\$ 670,224	\$ 661,064	\$ 650,513				
<b>Tax Savings</b>																								
250 kw		\$ 1,407	\$ 1,416	\$ 1,424	\$ 1,431	\$ 1,437	\$ 1,442	\$ 1,445	\$ 1,447	\$ 1,447	\$ 1,446	\$ 1,443	\$ 1,438	\$ 1,431	\$ 1,422	\$ 1,411	\$ 1,397	\$ 1,381	\$ 1,362	\$ 1,341	\$26,967	\$14,752		
500 kw		\$ 2,813	\$ 2,831	\$ 2,848	\$ 2,862	\$ 2,874	\$ 2,883	\$ 2,890	\$ 2,894	\$ 2,894	\$ 2,892	\$ 2,886	\$ 2,876	\$ 2,862	\$ 2,844	\$ 2,822	\$ 2,795	\$ 2,762	\$ 2,725	\$ 2,681	\$53,933	\$29,504		
4500 kw		\$ 25,318	\$ 25,483	\$ 25,629	\$ 25,757	\$ 25,863	\$ 25,947	\$ 26,008	\$ 26,042	\$ 26,049	\$ 26,026	\$ 25,972	\$ 25,884	\$ 25,761	\$ 25,599	\$ 25,397	\$ 25,152	\$ 24,861	\$ 24,521	\$ 24,129	\$485,399	\$265,539		
<b>Avoided Property Value Loss</b>																								
250 kw		\$586,567																				\$586,567	\$586,567	
500 kw		\$633,459																				\$633,459	\$633,459	
4500 kw		\$1,494,314																				\$1,494,314	\$1,494,314	
<b>Avoided Lost Forest Carbon Storage</b>																								
250 kw		\$0																				\$0	\$0	
500 kw		\$66,735																				\$66,735	\$66,735	
4500 kw		\$266,941																				\$266,941	\$266,941	
<b>Avoided Lost Forest Carbon Uptake</b>																								
250 kw		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
500 kw		\$1,170.23	\$1,193.64	\$1,217.51	\$1,241.86	\$1,266.70	\$1,292.03	\$1,317.87	\$1,344.23	\$1,371.11	\$1,398.54	\$1,426.51	\$1,455.04	\$1,484.14	\$1,513.82	\$1,544.10	\$1,574.98	\$1,606.48	\$1,638.61	\$1,671.38	\$1,704.81	\$28,434	\$14,454	
4500 kw		\$4,680.93	\$4,774.55	\$4,870.04	\$4,967.44	\$5,066.79	\$5,168.12	\$5,271.49	\$5,376.91	\$5,484.45	\$5,594.14	\$5,706.03	\$5,820.15	\$5,936.55	\$6,055.28	\$6,176.38	\$6,299.91	\$6,425.91	\$6,554.43	\$6,685.52	\$6,819.23	\$113,734	\$57,814	
<b>Avoided Loss of Ecosystem Services</b>																								
250 kw		\$449.46	\$458.45	\$467.62	\$476.97	\$486.51	\$496.24	\$506.16	\$516.29	\$526.61	\$537.14	\$547.89	\$558.84	\$570.02	\$581.42	\$593.05	\$604.91	\$617.01	\$629.35	\$641.94	\$654.77	\$667.87	\$11,589	\$5,713
500 kw		\$970.78	\$990.19	\$1,010.00	\$1,030.20	\$1,050.80	\$1,071.82	\$1,093.25	\$1,115.12	\$1,137.42	\$1,160.17	\$1,183.37	\$1,207.04	\$1,231.18	\$1,255.80	\$1,280.92	\$1,306.54	\$1,332.67	\$1,359.32	\$1,386.51	\$1,414.24	\$1,442.53	\$25,030	\$12,340
4500 kw		\$15,457.77	\$15,766.93	\$16,082.27	\$16,403.91	\$16,731.99	\$17,066.63	\$17,407.96	\$17,756.12	\$18,111.24	\$18,473.47	\$18,842.94	\$19,219.80	\$19,604.19	\$19,996.28	\$20,396.20	\$20,804.13	\$21,220.21	\$21,644.61	\$22,077.51	\$22,519.06	\$22,969.44	\$398,553	\$196,499
<b>Total Benefits</b>																								
250 kw		\$624,936	\$458	\$3,884	\$3,948	\$4,012	\$4,076	\$4,141	\$4,205	\$4,270	\$4,334	\$4,398	\$4,462	\$4,526	\$4,589	\$4,652	\$4,714	\$4,776	\$4,837	\$4,897	\$4,956	\$5,013	\$710,085	\$623,842
500 kw		\$777,005	\$2,160	\$9,036	\$9,189	\$9,344	\$9,499	\$9,654	\$9,811	\$9,968	\$10,125	\$10,283	\$10,440	\$10,598	\$10,756	\$10,913	\$11,070	\$11,226	\$11,381	\$11,535	\$11,687	\$11,838	\$977,518	\$819,987
4500 kw		\$2,459,272	\$20,448	\$82,351	\$83,750	\$85,158	\$86,574	\$87,998	\$89,428	\$90,862	\$92,302	\$93,744	\$95,187	\$96,631	\$98,074	\$99,515	\$100,951	\$102,382	\$103,805	\$105,219	\$106,620	\$108,009	\$4,288,281	\$3,153,117
<b>Total Costs</b>																								
250 kw		\$0	\$15,041	\$14,966	\$14,891	\$14,817	\$14,743	\$14,669	\$14,596	\$14,523	\$14,450	\$14,378	\$14,306	\$14,234	\$14,163	\$14,092	\$14,022	\$13,952	\$13,882	\$13,813	\$13,744	\$13,675	\$286,954	\$154,020
500 kw		\$0	\$30,082	\$29,932	\$29,782	\$29,633	\$29,485	\$29,338	\$29,191	\$29,045	\$28,900	\$28,755	\$28,612	\$28,469	\$28,326	\$28,185	\$28,044	\$27,903	\$27,764	\$27,625	\$27,487	\$27,350	\$573,909	\$308,039
4500 kw		\$0	\$270,741	\$269,388	\$268,041	\$266,701	\$265,367	\$264,040	\$262,720	\$261,406	\$260,099	\$258,799	\$257,505	\$256,217	\$254,936	\$253,662	\$252,393	\$251,131	\$249,876	\$248,626	\$247,383	\$246,146	\$5,249,216	\$2,772,832

BCA ratio
4.05
2.66
1.14

Analysis of Net Impacts to Customers from Capacity Factor Difference between Carport and Alternative Project

CALCULATION OF PRODUCTION DIFFERENCE BETWEEN CARPORT AND GROUNDOUNT PROJECT  
Carport project output – low-cost high production scenario from SEA

Capacity (kW)	Capacity factor	Degradation rate	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	
Carport	250	13.5%	0.5%	295,650	294,172	292,701	291,237	289,781	288,332	286,891	285,456	284,029	282,609	281,196	279,790	278,391	276,999	275,614	274,236	272,865	271,500	270,143	268,792
	500	13.5%	0.5%	591,300	588,344	585,402	582,475	579,562	576,665	573,781	570,912	568,058	565,218	562,391	559,579	556,782	553,998	551,228	548,472	545,729	543,001	540,286	537,584
	4500	13.5%	0.5%	5,321,700	5,295,092	5,268,616	5,242,273	5,216,062	5,189,981	5,164,031	5,138,211	5,112,520	5,086,958	5,061,523	5,036,215	5,011,034	4,985,979	4,961,049	4,936,244	4,911,563	4,887,005	4,862,570	4,838,257

Greenfield groundmount project output from SEA (note: production differences from replacement of a non-greenfield project would be expected to be smaller).

Capacity (kW)	Capacity factor	Degradation rate	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20	
Greenfield	250	14.7%	0.5%	321,930	320,320	318,719	317,125	315,540	313,962	312,392	310,830	309,276	307,730	306,191	304,660	303,137	301,621	300,113	298,612	297,119	295,634	294,155	292,685
	500	15.2%	0.5%	665,760	662,431	659,119	655,823	652,544	649,282	646,035	642,805	639,591	636,393	633,211	630,045	626,895	623,760	620,642	617,538	614,451	611,378	608,321	605,280
	4500	15.0%	0.5%	5,913,000	5,883,435	5,854,018	5,824,748	5,795,624	5,766,646	5,737,813	5,709,124	5,680,578	5,652,175	5,623,914	5,595,795	5,567,816	5,539,977	5,512,277	5,484,715	5,457,292	5,430,005	5,402,855	5,375,841

Production penalty relative to groundmount	y1	y2	y3	y4	y5	y6	y7	y8	y9	y10	y11	y12	y13	y14	y15	y16	y17	y18	y19	y20
250 kW	26,280	26,149	26,018	25,888	25,758	25,630	25,501	25,374	25,247	25,121	24,995	24,870	24,746	24,622	24,499	24,377	24,255	24,133	24,013	23,893
500 kW	74,460	74,088	73,717	73,349	72,982	72,617	72,254	71,893	71,533	71,176	70,820	70,466	70,113	69,763	69,414	69,067	68,721	68,378	68,036	67,696
4500 kW	591,300	588,344	585,402	582,475	579,562	576,665	573,781	570,912	568,058	565,218	562,391	559,579	556,782	553,998	551,228	548,472	545,729	543,001	540,286	537,584

CHANGE IN ENERGY SYSTEM COSTS DUE TO REDUCED PRODUCTION

Wholesale Energy Purchase Costs due to Lower Carport Production

Average Retail Cost of Energy Forecast from AESC 2018 (nominal \$/kW y1)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	\$ 0.06	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.13	\$ 0.13

1. Wholesale market purchases (inclusive of embedded environmental compliance costs)

	250 kW	500 kW	4500 kW
	\$ 1,673	\$ 4,742	\$ 37,653
	\$ 1,824	\$ 5,168	\$ 40,108
	\$ 1,783	\$ 5,051	\$ 40,108
	\$ 1,834	\$ 5,197	\$ 41,270
	\$ 1,931	\$ 5,471	\$ 43,443
	\$ 1,981	\$ 5,613	\$ 44,578
	\$ 2,075	\$ 5,820	\$ 46,684
	\$ 2,054	\$ 5,667	\$ 46,214
	\$ 2,000	\$ 5,484	\$ 45,003
	\$ 2,022	\$ 5,728	\$ 45,484
	\$ 2,120	\$ 6,006	\$ 47,694
	\$ 2,118	\$ 6,006	\$ 47,694
	\$ 2,218	\$ 6,638	\$ 47,694
	\$ 2,343	\$ 6,919	\$ 54,943
	\$ 2,442	\$ 7,217	\$ 57,312
	\$ 2,547	\$ 7,536	\$ 59,841
	\$ 2,660	\$ 7,876	\$ 62,547
	\$ 2,780	\$ 8,242	\$ 65,452
	\$ 2,909	\$ 8,636	\$ 68,580
	\$ 3,048	\$ 9,061	\$ 71,959
	\$ 3,198	\$ 9,524	\$ 75,582
	\$ 3,354	\$ 10,024	\$ 79,459
	\$ 3,516	\$ 10,561	\$ 83,592
	\$ 3,684	\$ 11,136	\$ 87,991
	\$ 3,858	\$ 11,751	\$ 92,664
	\$ 4,038	\$ 12,406	\$ 97,611
	\$ 4,224	\$ 13,101	\$ 102,842
	\$ 4,416	\$ 13,836	\$ 108,359
	\$ 4,614	\$ 14,611	\$ 114,172
	\$ 4,818	\$ 15,426	\$ 120,291
	\$ 5,028	\$ 16,281	\$ 126,726
	\$ 5,244	\$ 17,176	\$ 133,487
	\$ 5,466	\$ 18,111	\$ 140,574
	\$ 5,694	\$ 19,086	\$ 147,997
	\$ 5,928	\$ 20,111	\$ 155,756
	\$ 6,168	\$ 21,186	\$ 163,861
	\$ 6,414	\$ 22,311	\$ 172,322
	\$ 6,666	\$ 23,486	\$ 181,149
	\$ 6,924	\$ 24,711	\$ 190,342
	\$ 7,188	\$ 25,986	\$ 199,901
	\$ 7,458	\$ 27,311	\$ 209,826
	\$ 7,734	\$ 28,686	\$ 220,117
	\$ 8,016	\$ 30,111	\$ 230,774
	\$ 8,304	\$ 31,586	\$ 241,807
	\$ 8,598	\$ 33,111	\$ 253,216
	\$ 8,898	\$ 34,686	\$ 265,001
	\$ 9,204	\$ 36,311	\$ 277,172
	\$ 9,516	\$ 37,986	\$ 289,729
	\$ 9,834	\$ 39,711	\$ 302,672
	\$ 10,158	\$ 41,486	\$ 316,001
	\$ 10,488	\$ 43,311	\$ 329,726
	\$ 10,824	\$ 45,186	\$ 343,847
	\$ 11,166	\$ 47,111	\$ 358,364
	\$ 11,514	\$ 49,086	\$ 373,277
	\$ 11,868	\$ 51,111	\$ 388,586
	\$ 12,228	\$ 53,186	\$ 404,291
	\$ 12,594	\$ 55,311	\$ 420,392
	\$ 12,966	\$ 57,486	\$ 436,799
	\$ 13,344	\$ 59,711	\$ 453,512
	\$ 13,728	\$ 61,986	\$ 470,531
	\$ 14,118	\$ 64,311	\$ 487,856
	\$ 14,514	\$ 66,686	\$ 505,487
	\$ 14,916	\$ 69,111	\$ 523,424
	\$ 15,324	\$ 71,586	\$ 541,667
	\$ 15,738	\$ 74,111	\$ 560,220
	\$ 16,158	\$ 76,686	\$ 579,085
	\$ 16,584	\$ 79,311	\$ 598,262
	\$ 17,016	\$ 81,986	\$ 617,751
	\$ 17,454	\$ 84,711	\$ 637,552
	\$ 17,898	\$ 87,486	\$ 657,665
	\$ 18,348	\$ 90,311	\$ 678,090
	\$ 18,804	\$ 93,186	\$ 698,827
	\$ 19,266	\$ 96,111	\$ 719,876
	\$ 19,734	\$ 99,086	\$ 741,237
	\$ 20,208	\$ 102,111	\$ 762,910
	\$ 20,688	\$ 105,186	\$ 784,895
	\$ 21,174	\$ 108,311	\$ 807,192
	\$ 21,666	\$ 111,486	\$ 829,801
	\$ 22,164	\$ 114,711	\$ 852,722
	\$ 22,668	\$ 117,986	\$ 875,955
	\$ 23,178	\$ 121,311	\$ 899,500
	\$ 23,694	\$ 124,686	\$ 923,357
	\$ 24,216	\$ 128,111	\$ 947,526
	\$ 24,744	\$ 131,586	\$ 971,997
	\$ 25,278	\$ 135,111	\$ 996,770
	\$ 25,818	\$ 138,686	\$ 1,021,847
	\$ 26,364	\$ 142,311	\$ 1,047,220
	\$ 26,916	\$ 145,986	\$ 1,072,899
	\$ 27,474	\$ 149,711	\$ 1,098,884
	\$ 28,038	\$ 153,486	\$ 1,125,175
	\$ 28,608	\$ 157,311	\$ 1,151,772
	\$ 29,184	\$ 161,186	\$ 1,178,675
	\$ 29,766	\$ 165,111	\$ 1,205,884
	\$ 30,354	\$ 169,086	\$ 1,233,399
	\$ 30,948	\$ 173,111	\$ 1,261,220
	\$ 31,548	\$ 177,186	\$ 1,289,347
	\$ 32,154	\$ 181,311	\$ 1,317,772
	\$ 32,766	\$ 185,486	\$ 1,346,505
	\$ 33,384	\$ 189,711	\$ 1,375,546
	\$ 34,008	\$ 193,986	\$ 1,404,895
	\$ 34,638	\$ 198,311	\$ 1,434,652
	\$ 35,274	\$ 202,686	\$ 1,464,817
	\$ 35,916	\$ 207,111	\$ 1,495,290
	\$ 36,564	\$ 211,586	\$ 1,526,071
	\$ 37,218	\$ 216,111	\$ 1,557,160
	\$ 37,878	\$ 220,686	\$ 1,588,557
	\$ 38,544	\$ 225,311	\$ 1,620,262
	\$ 39,216	\$ 230,086	\$ 1,652,277
	\$ 39,894	\$ 234,911	\$ 1,684,596
	\$ 40,578	\$ 239,786	\$ 1,717,219
	\$ 41,268	\$ 244,711	\$ 1,750,146
	\$ 41,964	\$ 249,686	\$ 1,783,377
	\$ 42,666	\$ 254,711	\$ 1,816,912
	\$ 43,374	\$ 259,786	\$ 1,850,751
	\$ 44,088	\$ 264,911	\$ 1,884,894
	\$ 44,808	\$ 270,086	\$ 1,919,341
	\$ 45,534	\$ 275,311	\$ 1,954,094
	\$ 46,266	\$ 280,586	\$ 1,989,153
	\$ 47,004	\$ 285,911	\$ 2,024,517
	\$ 47,748	\$ 291,286	\$ 2,060,186
	\$ 48,498	\$ 296,711	\$ 2,096,159
	\$ 49,254	\$ 302,186	\$ 2,132,436
	\$ 50,016	\$ 307,711	\$ 2,169,017
	\$ 50,784	\$ 313,286	\$ 2,205,902
	\$ 51,558	\$ 318,911	\$ 2,243,091
	\$ 52,338	\$ 324,586	\$ 2,280,484
	\$ 53,124	\$ 330,311	\$ 2,318,081
	\$ 53,916	\$ 336,086	\$ 2,355,882
	\$ 54,714	\$ 341,911	\$ 2,393,887
	\$ 55,518	\$ 347,786	\$ 2,432,096
	\$ 56,328	\$ 353,711	\$ 2,470,509
	\$ 57,144	\$ 359,686	\$ 2,509,126
	\$ 57,966	\$ 365,711	\$ 2,547,947
	\$ 58,794	\$ 371,786	\$ 2,587,072
	\$ 59,628	\$ 377,911	\$ 2,626,501
	\$ 60,468	\$ 384,086	\$ 2,666,234
	\$ 61,314	\$ 390,311	\$ 2,706,271
	\$ 62,166	\$ 396,586	\$ 2,746,612
	\$ 63,024	\$ 402,911	\$ 2,787,257
	\$ 63,888	\$ 409,286	\$ 2,828,206
	\$ 64,758	\$ 415,711	\$ 2,869,459
	\$ 65,634	\$ 422,186	\$ 2,910,916
	\$ 66,516	\$ 428,711	\$ 2,952,677
	\$ 67,404	\$ 435,286	\$ 2,994,742
	\$ 68,298	\$ 441,911	\$ 3,037,111
	\$ 69,198	\$ 448,586	\$ 3,079,784
	\$ 70,104	\$ 455,311	\$ 3,122,761
	\$ 71,016	\$ 462,086	\$ 3,166,042
	\$ 71,934	\$ 468,911	\$ 3,209,627
	\$ 72,858	\$ 475,786	\$ 3,253,516
	\$ 73,788	\$ 482,711	\$ 3,297,709
	\$ 74,724	\$ 48	

9. (5-8) Total net impact from reduced production

250 kW	\$	3,125.50	\$	2,931.77	\$	3,010.95	\$	3,021.79	\$	2,943.97	\$	2,922.00	\$	2,838.87	\$	2,844.56	\$	2,883.37	\$	2,838.43	\$	2,678.95	\$	2,635.32	\$	2,363.65	\$	2,218.00	\$	2,045.22	\$	1,859.53	\$	1,658.96	\$	1,441.14	\$	1,203.28	\$	942.04	\$	48,407.28	\$	27,965.40
500 kW	\$	6,472.86	\$	5,935.87	\$	6,172.06	\$	6,214.58	\$	6,005.82	\$	5,955.25	\$	5,731.33	\$	5,759.02	\$	5,880.48	\$	5,764.59	\$	5,324.12	\$	5,211.83	\$	4,453.39	\$	4,051.93	\$	3,573.54	\$	3,058.54	\$	2,501.30	\$	1,895.15	\$	1,232.15	\$	502.84	\$	91,696.65	\$	54,836.59
4500 kW	\$	8,828.54	\$	4,777.04	\$	6,864.48	\$	7,412.85	\$	5,964.79	\$	5,771.84	\$	4,201.21	\$	4,627.72	\$	5,797.77	\$	5,081.96	\$	1,787.62	\$	1,098.34	\$	(4,723.14)	\$	(7,710.73)	\$	(11,310.27)	\$	(15,201.55)	\$	(19,429.23)	\$	(24,046.32)	\$	(29,115.86)	\$	(34,712.89)	\$	(84,035.80)	\$	(480.17)