

April 5, 2021

VIA E-MAIL & COURIER

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

**RE: Docket No. 5101 – RIH Orthopaedic Foundation, Inc. Petition for Declaratory Judgment
National Grid Comments**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (the Company), enclosed for filing with the Rhode Island Public Utilities Commission (the Commission) please find an electronic version of the Company's comments in the above-referenced proceeding.

Consistent with the instructions issued by the Commission on March 16, 2020, and updated on October 2, 2020, this filing is being made electronically. Five (5) hard copies will be submitted to the Commission within twenty-four (24) hours, with two (2) hard copies being three-hole punched.

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
RI Bar # 10055

Enclosures

cc: RIPUC Docket No. 5101 Service List

Docket No. 5101 – RIH Orthopaedic Foundation, Inc. – Petition for Declaratory Judgment
Service List Updated 1/27/2021

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STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

In re: Petition of RIH Orthopaedic)	
Foundation, Inc. for Declaratory Judgment on)	Docket No. 5101
Rhode Island General Laws § 39-26.4, the)	
Net Metering Act)	
)	

COMMENTS OF THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID

The Narragansett Electric Company d/b/a National Grid (National Grid or the Company) respectfully submits the following initial comments on the Petition for Declaratory Judgment (Petition) of RIH Orthopaedic Foundation, Inc. (the Foundation) in accordance with the Notice of Filing and Deadline for Comments issued by the Public Utilities Commission (PUC) on March 24, 2021, in the above-captioned matter.

I. BACKGROUND AND RELEVANT FACTS

The Foundation’s Petition requests a declaratory ruling from the PUC that under the Net Metering Act, R.I. Gen. Laws § 39-26.4-1 *et seq.*, (1) the Foundation, a nonprofit entity, can enter into an agreement with its affiliated for-profit organization, University Orthopedics, Inc. (UOI), such that the Foundation becomes the customer of record on electric service accounts that UOI is currently the customer of record for the purpose of designating those accounts to receive remote net metering credits; and (2) any electrical service account designated by a nonprofit for net metering is eligible for net metering and may receive net-metering credits from an eligible net-metering system regardless of whether the nonprofit is the customer of record on those accounts. Petition at 1. The Foundation also states that it “would like to contract with an electric-distribution company and administratively retitle certain electric service accounts providing service to UOI

facilities into the Foundation’s name” Petition at 2. In addition to requesting that the PUC find that its proposal is consistent with the Net Metering Act, the Foundation asks the Commission to find that its position is supported by National Grid’s Net Metering Provision, R.I.P.U.C. No. 2241.¹

The Foundation has confirmed that it is a nonprofit corporation as defined in Chapter 6 of title 7 of the Rhode Island General Laws. Petition at 2; Div 1-5. UOI, on the other hand, is a for-profit professional service corporation.² Petition at 2. The Foundation represents that it has an intermingled relationship with UOI, including sharing of personnel and resources. Petition at 2; Div 1-10. The Foundation has recently executed a Purchased Services Agreement with UOI under which, in relevant part, the Foundation is to contract for electricity and certain other select utilities from vendors of Foundation’s choosing and make them available to UOI, with UOI reimbursing the Foundation for such services. Petition at 2; Div 1-1, Attachment 1-1.

The Foundation has further explained its proposed net metering arrangement in its responses to data requests in this proceeding. The Foundation has stated that its intent is to participate in net metering through an eligible net metering system that is not located in the same geographic area as the net-metered electric service accounts. NG-1-1. In other words, the Foundation proposes a “virtual” or “remote” net metering system.³ Its proposed virtual net metering system would be owned and operated by a private entity on the Foundation’s behalf and

¹ The Petition cites to the former version of National Grid’s Net Metering Provision, R.I.P.U.C. No. 2207, but the Net Metering Provision was updated to R.I.P.U.C. No. 2241 effective January 1, 2021.

² The Petition does not identify whether UOI is a “hospital” as defined and established in Chapter 17 of Title 23 of Rhode Island General Laws and used in the Net Metering Act.

³ “Virtual net metering” typically refers to installations where solar energy is not used on-site but generates bill credits that are distributed to distant recipients.

located on land controlled by the Foundation. Div 1-3; Div 1-15; NG-1-4. The Foundation proposes to be listed as the Host Customer and would either (a) designate UOI's electrical service accounts as accounts to receive net metering credits, or, if necessary to be eligible to receive net metering credits, (b) administratively retitle those same electrical service accounts into the Foundation's name, and then designate those electrical service accounts as accounts to receive net metering credits. NG-1-4. The Foundation appears to favor the first approach and would only engage in administratively retitling UOI's accounts into the Foundation's name if the Commission finds that net metering credits cannot be allocated from the nonprofit Foundation to the for-profit UOI without such retitling. Div 1-4 (stating that the Foundation would become the customer of record for UOI if the Commission determines that step is "necessary").

II. DISCUSSION

A. Virtual Net Metering Is Limited To Eligible Classes Of Customers And Should Not Be Expanded.

First, National Grid addresses the Foundation's second request for declaratory judgment because: (1) answering this statutory and policy question should be dispositive of the Foundation's entire proposal; and (2) the Foundation has indicated that its preference would be to designate UOI's accounts to receive net metering credits without retitling its accounts into the Foundation's name. Specifically, the Foundation asks the Commission to find that *any* electrical service account designated by a nonprofit for net metering is eligible for net metering and may receive net-metering credits from an eligible net-metering system regardless of whether the nonprofit is the customer of record on those accounts. Petition at 1. Resolution of this question depends on interpretation of the statutory definitions of "Eligible Net Metering System" and "Eligible Net Metering System Site," which are also defined in National Grid's Net Metering Provision.

Importantly, virtual net metering is limited and subject to a number of conditions under Rhode Island’s Net Metering Act. Community Remote Net Metering Systems are allowed up to a statewide cap of 30 MW,⁴ and virtual net metering systems are allowed for a special class of customers including public entity facilities, multi-municipal collaborative facilities, educational institutions, the federal government, hospitals, or nonprofits, with a net-metering financing arrangement. Typically, net metering systems must be sized to annually produce electricity in an amount that is equal to, or less than, the usage at the eligible net-metering system site measured by the three-year average annual consumption of energy over the previous three years. Also, energy generated by the net-metering system must also be consumed by net-metered electric service account(s) that are actually located in the same geographical location as the eligible net-metering system. However, for members of the special class of customers allowed to engage in remote net metering, the definition of “Eligible Net Metering System” states that “all delivery service accounts designated by the Public Entity, Educational Institution, Hospital, Nonprofit, Multi-Municipal Collaborative, or Net Metering Customer for a Community Remote Net Metering System for net metering shall be treated as accounts eligible for net metering within an Eligible Net Metering System Site.” R.I. Gen. Laws § 39-26.4-2(5); R.I.P.U.C. No. 2241, Sheet 2. In addition:

“Eligible net-metering system site” means the site where the eligible net-metering system or community remote net-metering system is located or is part of the same campus or complex of sites contiguous to one another and the site where the eligible net-metering system or community remote net-metering system is located or a farm in which the eligible net-metering system or community remote net-metering

⁴ Eligible recipients of net-metering credits from Community Remote Net Metering Systems are limited to residential accounts in good standing, or certain accounts associated with low- or moderate-income housing developments. R.I. Gen. Laws §§ 39-26.4-2(1), (3). However, the Foundation is not proposing a Community Remote Net Metering System, and its net metering facility would therefore not be subject to the 30 MW cap. NG-1-4.

system is located. **Except for an eligible net-metering system owned by or operated on behalf of a public entity, educational institution, hospital, nonprofit, or multi-municipal collaborative through a net-metering financing arrangement, the purpose of this definition is to reasonably assure that energy generated by the eligible net-metering system is consumed by net-metered electric service account(s) that are actually located in the same geographical location as the eligible net-metering system.** All energy generated from any eligible net-metering system is, and will be considered, consumed at the meter where the renewable energy resource is interconnected for valuation purposes. **Except for an eligible net-metering system owned by, or operated on behalf of, a public entity, educational institution, hospital, nonprofit, or multi-municipal collaborative through a net-metering financing arrangement, or except for a community remote net-metering system, all of the net-metered accounts at the eligible net-metering system site must be the accounts of the same customer of record and customers are not permitted to enter into agreements or arrangements to change the name on accounts for the purpose of artificially expanding the eligible net-metering system site to contiguous sites in an attempt to avoid this restriction.** However, a property owner may change the nature of the metered service at the accounts at the site to be master metered in the owner's name, or become the customer of record for each of the accounts, provided that the owner becoming the customer of record actually owns the property at which the account is located. As long as the net-metered accounts meet the requirements set forth in this definition, there is no limit on the number of accounts that may be net metered within the eligible net-metering system site.

R.I. Gen. Laws § 39-26.4-2(6); R.I.P.U.C. No. 2241, Sheet 2-3.

Taken together, these provisions grant limited exceptions from the restrictions against virtual net metering for facilities owned by, or owned and operated on behalf of, a public entity, educational institution, hospital, nonprofit, or multi-municipal collaborative. The Foundation relies on the definition of “eligible net-metering system” to claim that it may designate *any* account to receive net metering credits, including the electricity accounts for consumption of for-profit entities excluded from the special exceptions from the restrictions against remote net metering. Petition at 4.

National Grid recognizes that the Net Metering Act does not specifically prohibit a nonprofit or other “special” exempt entity from designating the electricity accounts of non-exempt

entities to receive net metering credits from a virtual net metering facility. However, the Foundation's proposal is inconsistent with the spirit and intent of the special exceptions granted to nonprofits and other specifically identified entities and ignores the history of the Net Metering Act. The Foundation's interpretation of the Net Metering Act, if accepted by the Commission, would dramatically expand virtual net metering to benefit any class of customer, so long as they could find an exempt "special" entity willing to designate their account to receive net metering credits. It is unlikely that the Legislature intended this result, and the Commission should not endorse it.

The Net Metering Act is careful to limit the practice of virtual net metering. It only allows the benefit of virtual net metering for a limited aggregate capacity of Community Remote Net Metering, or a special class of customers limited to public entities, educational institutions, hospitals, nonprofits, or multi-municipal collaboratives the opportunity to engage in virtual net metering. This restriction serves to limit the scale and proliferation of virtual net metering in the state, and ultimately controls the cost of the net metering program. Prior iterations of the Net Metering Act illustrate that the legislature intended exempt customer classes to be permitted to designate delivery service accounts of *other exempt entities* meeting the definitions of Public Entity, Educational, Institutional, Hospital, Nonprofit, Multi-Municipal Collaborative, or Net Metering Customer for a Community Remote Net Metering System. The 2011 version of the Net Metering Act only extended virtual net metering to systems owned by or on behalf of a municipality or multi-municipal collaborative. In that iteration of the Act, the definition of "Eligible Net Metering System" included the following provision:

Notwithstanding any other provisions of this chapter, any eligible net metering resource: (i) owned by a municipality or multi-municipal collaborative or (ii) owned and operated by a renewable generation developer on behalf of a

municipality or multi-municipal collaborative through municipal net metering financing arrangement shall be treated as an eligible net metering system ***and all municipal accounts designated by the municipality or multi-municipal collaborative for net metering shall be treated as accounts eligible for net metering within an eligible net metering system site.***

R.I. Gen. Laws § 39-26.4-2(2) (2011).

In this iteration of the Net Metering Act, the legislature made it clear that exempt municipality or multi-municipal collaborative must designate other *municipal accounts* to receive net metering credits. As the list of special exempt customer classes grew by amendment, this clarifying text was dropped. However, this change appears more likely to be attributable to drafting efficiency to avoid listing out the customer classes again in this clause, rather than an intentional omission to expand the scope of virtual net metering. National Grid does and always had read this provision to mean that exempt customers can designate any “like-kind” delivery service account as eligible for virtual net metering.

Similarly, National Grid’s prior tariffs show that virtual net metering was initially limited to municipalities in 2012, then expanded to public entities in 2015, and nonprofits and other entities in 2018 (see Attachments NG-1, NG-2, and NG-3). Also, the language noted by Petitioner as permitting its proposal – “all delivery service accounts designated by the Public Entity, Educational Institution, Hospital, Nonprofit, Multi-Municipal Collaborative, or Net Metering Customer for a Community Remote Net Metering System for net metering shall be treated as accounts eligible for net metering” – was formerly “all municipal delivery service accounts designated by the municipality or Multi-municipal Collaborative shall be eligible for net metering” in 2012. National Grid submits that the adjective “municipal” was removed in 2015 merely to accommodate a longer list of “special” entities and their electricity accounts (the first expansion

was to add “public entities” only), and it was not intended to allow for-profit and other non-exempt entities to begin receiving virtual net metering bill credits.

The Foundation’s proposal is intended to give its for-profit affiliate, UOI, the benefit of virtual net metering through a contractual arrangement. The Foundation concedes that UOI would not be able to engage in virtual net metering without using the Foundation as an intermediary. National Grid acknowledges that the Foundation and UOI have a unique business relationship and the Foundation has not expressed any intent to allocate net metering credits to other accounts not associated with UOI. Div 1-12. Nevertheless, National Grid is concerned about the precedent that would be set if the declaratory judgment requested by the Foundation were granted. Taken to its logical conclusion, the Foundation’s interpretation of the Net Metering Act would allow a school, municipality, or other special entity to build up to a 10 MW solar facility and allocate net metering credits to any residential or commercial customers it chooses. It is unlikely that the legislature intended the special exceptions carved out for public entities, educational institutions, hospitals, nonprofits, or multi-municipal collaboratives to flow this benefit directly to residential or for-profit commercial customers in that manner. If the petition is granted, it will create a large loophole and broadly allow for more virtual net metering projects. National Grid respectfully asks the Commission to carefully consider the impacts of the Foundation’s request.

B. Restrictions Against Virtual Net Metering Should Not Be Circumvented By Administratively Retitling Accounts.

The Foundation characterizes its request to administratively retitle UOI’s accounts into the Foundation’s name as an alternative request, only to be pursued if the Commission finds it “necessary.” In National Grid’s view, if the Commission determines that the Foundation cannot designate UOI’s accounts to receive net metering credits, it should not allow UOI to make the

Foundation the customer of record on UOI's existing accounts for the purpose of receiving net metering credits.

The Net Metering Act clearly provides that customers are not permitted to enter into agreements or arrangements to change the name on accounts for the purpose of artificially expanding the eligible net-metering system site to contiguous sites in an attempt to avoid the restrictions against virtual net metering. This prohibition applies to all customers. Therefore, if the Commission finds that UOI is ineligible to participate in virtual net metering in the first instance, it should not permit UOI to avoid that restriction by changing the name on its account.

III. CONCLUSION

National Grid appreciates the opportunity to submit these comments. For the reasons explained above, National Grid asks the Commission to ensure that not only the letter, but also the spirit and intent of the Net Metering Act is followed in this case. Any expansion of virtual net metering to benefit non-exempt customer classes should be pursued carefully and with appropriate guardrails to avoid unintended program impacts and increased costs to all customers.

Respectfully submitted,

**THE NARRAGANSETT ELECTRIC
COMPANY d/b/a NATIONAL GRID,**
By its attorney,



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THE NARRAGANSETT ELECTRIC COMPANY
NET METERING PROVISION

I. Definitions

“Company” shall mean The Narragansett Electric Company d/b/a National Grid.

“Commission” shall mean the Rhode Island Public Utilities Commission.

“Eligible Net Metering Resource” shall mean eligible renewable energy resource as defined in R.I.G.L. Chapter 39-26-5 including biogas created as a result of anaerobic digestion, but, specifically excluding all other listed eligible biomass fuels.

“Eligible Net Metering System” shall mean a facility generating electricity using an Eligible Net Metering Resource that is reasonably designed and sized to annually produce electricity in an amount that is equal to or less than the Renewable Self-generator’s usage at the Eligible Net Metering System Site measured by the three (3) year average annual consumption of energy over the previous three (3) years at the electric distribution account(s) located at the Eligible Net Metering System Site. A projected annual consumption of energy may be used until the actual three (3) year average annual consumption of energy over the previous three (3) years at the electric delivery service account(s) located at the Eligible Net Metering System Site becomes available for use in determining eligibility of the generating system. The Eligible Net Metering System must be owned by the same entity that is the customer of record on the Net Metered Accounts. Notwithstanding any other provisions of this chapter, any Eligible Net Metering Resource: (i) owned by a municipality or Multi-municipal Collaborative or (ii) owned and operated by a renewable generation developer on behalf of a municipality or Multi-municipal Collaborative through a Municipal Net Metering Financing Arrangement shall be treated as an Eligible Net Metering System and all municipal delivery service accounts designated by the municipality or Multi-municipal Collaborative shall be eligible for net metering within an Eligible Net Metering System Site.

“Eligible Net Metering System Site” shall mean the site where the Eligible Net Metering System is located or is part of the same campus or complex of sites contiguous to one another and the site where the Eligible Net Metering System is located or a farm in which the Eligible Net Metering System is located. Except for an Eligible Net Metering System owned by or operated on behalf of a municipality or multi-municipal collaborative through a municipal net metering financing arrangement, the purpose of this definition is to reasonably assure that energy generated by the Eligible Net Metering System is consumed by net metered electric delivery service account(s) that are actually located in the same geographical location as the Eligible Net Metering System. Except for an Eligible Net Metering System owned by or operated on behalf of a municipality or Multi-municipal Collaborative through a Municipal Net Metering Financing Arrangement, all of the Net Metered Accounts at the Eligible Net Metering System Site must be the accounts of the same customer of record and customers are not permitted to enter into agreements or arrangements to change the name on accounts for the purpose of artificially

expanding the Eligible Net Metering System Site to contiguous sites in an attempt to avoid this restriction. However, a property owner may change the nature of the metered service at the delivery service accounts at the site to be master metered (as allowed by applicable state law) in the owner's name, or become the customer of record for each of the delivery service accounts, provided that the owner becoming the customer of record actually owns the property at which the delivery service account is located. As long as the Net Metered Accounts meet the requirements set forth in this definition, there is no limit on the number of delivery service accounts that may be net metered within the Eligible Net Metering System Site.

“Excess Renewable Net Metering Credit” shall mean a credit that applies to an Eligible Net Metering System for that portion of the Renewable Self-generator's production of electricity beyond one hundred percent (100%) and no greater than one hundred twenty-five (125%) of the Renewable Self-generator's own consumption at the eligible net metering system site during the applicable billing period. Such Excess Renewable Net Metering Credit shall be equal to the Company's avoided cost rate, defined for this purpose as the Standard Offer Service kilowatt-hour (kWh) charge for the rate class and time-of-use billing period, if applicable, applicable to the delivery service account(s) at the Eligible Net Metering System Site. Where there are delivery service accounts at the Eligible Net Metering System Site in different rate classes, the Company may calculate the Excess Renewable Net Metering Credit based on the average of the Standard Offer Service rates applicable to those on-site delivery service accounts. The Company has the option to use the energy received from such excess generation to serve the Standard Offer Service load. The Commission shall have the authority to make determinations as to the applicability of this credit to specific generation facilities to the extent there is an uncertainty or disagreement.

“Farm” shall be defined in accordance with section 44-27-2, except that all buildings associated with the farm shall be eligible for Renewable Net Metering Credits and Excess Renewable Net Metering Credits as long as: (i) the buildings are owned by the same entity operating the farm or persons associated with operating the farm; and (ii) the buildings are on the same farmland as the project on either a tract of land contiguous with or reasonably proximate to such farmland or across a public way from such farmland.

“ISO-NE” shall mean The Independent System Operator – New England established in accordance with the NEPOOL Agreement and applicable FERC approvals, which is responsible for managing the bulk power generation and transmission systems in New England.

“Multi-municipal Collaborative” shall mean a group of towns and/or cities that enter into an agreement for the purpose of co-owning a renewable generation facility or entering into a Municipal Net Metering Financing Arrangement.

“Municipal Net Metering Financing Arrangement” shall mean arrangements entered into by a municipality or Multi-municipal Collaborative with a private entity to facilitate the financing and operation of a net metering resource, in which the private entity owns and operates an Eligible Net Metering Resource on behalf of a municipality or Multi-municipal Collaborative, where: (i) the Eligible Net Metering Resource is located on property owned or controlled by the municipality or one of the municipalities, as applicable, and (ii) the production from the Eligible

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Net Metering Resource and primary compensation paid by the municipality or Multi-municipal Collaborative to the private entity for such production is directly tied to the consumption of electricity occurring at the designated Net Metered Accounts.

“Municipality and towns and cities” shall mean any Rhode Island town or city, including any agency or instrumentality thereof, with the powers set forth in title 45 of the general laws.

“Net Metering” shall mean using electricity generated by an Eligible Net Metering System for the purpose of self-supplying power at the Eligible Net Metering System Site and thereby offsetting consumption at the Eligible Net Metering System Site through the netting process established in this provision.

“Net Metered Accounts” shall mean one or more electric delivery service billing accounts owned by a single customer of record on the same campus or complex of sites contiguous to one another and the site where the Eligible Net Metering System is located or a farm in which the Eligible Net Metering System is located, or all municipal delivery service accounts associated with an Eligible Net Metering System that is: (i) owned by a municipality or Multi-municipal Collaborative or (ii) owned and operated by a renewable generation developer on behalf of a municipality or Multi-municipal Collaborative through a municipal net metering financing arrangement, provided that the Net Metering Customer or the municipality or Multi-municipal Collaborative has submitted Schedule B (attached) with the individual billing account information for each Net Metered Account. It is the responsibility of the Net Metering Customer or the municipality or Multi-municipal Collaborative to submit a revised Schedule B should there be a change to any of the information contained therein.

“Net Metering Customer” shall mean a customer of the Company receiving and being billed for electric delivery service whose delivery account(s) are being net metered.

“Person” shall mean an individual, firm, corporation, associations, partnership, farm, town or city of the State of Rhode Island, Multi-municipal Collaborative, or the State of Rhode Island or any department of the state government, governmental agency or public instrumentality of the state.

“Project” shall mean a distinct installation of an Eligible Net Metering System. An installation will be considered distinct if it is installed in a different location, or at a different time, or involves a different type of renewable energy.

“Renewable Net Metering Credit” shall mean a credit that applies to an Eligible Net Metering System up to one hundred percent (100%) of the Renewable Self-generator’s usage at the Eligible Net Metering System Site over the applicable billing period. This credit shall be equal to the total kilowatt-hours of electricity generated and consumed on-site during the billing period multiplied by the sum of the:

- (i) Standard offer Service kilowatt-hour charge for the rate class applicable to the net metering customer;
- (ii) Distribution kilowatt-hour charge;

- (iii) Transmission kilowatt-hour charge; and
- (iv) Transition kilowatt-hour charge.

“Renewable Self-generator” shall mean an electric delivery service customer who installs or arranges for an installation of renewable generation that is primarily designed to produce electricity for consumption by that same customer at its delivery service account(s).

II. Terms and Conditions

The following policies regarding Net Metering of electricity from Eligible Net Metering Systems and regarding any Person that is a Renewable Self-generator shall apply:

1. The maximum allowable capacity for Eligible Net Metering Systems, based on name plate capacity, shall be five megawatts (5 MW),
2. The aggregate amount of Net Metering in Rhode Island shall not exceed three percent (3%) of peak load, provided that at least two megawatts (2 MW) are reserved for Projects of less than fifty kilowatts (50 kW),
3. For ease of administering Net Metered Accounts and stabilizing Net Metered Account bills, the Company may elect (but is not required) to estimate for any twelve (12) month period i) the production from the Eligible Net Metering System and ii) aggregate consumption of the Net Metered Accounts at the Eligible Net Metering System Site and establish a monthly billing plan that reflects the expected Renewable Generation Credits and Excess Renewable Generation Credits that would be applied to the Net Metered Accounts over twelve (12) months. The billing plan would be designed to even out monthly billings over twelve (12) months, regardless of actual production and usage. If such election is made by the Company, the Company would reconcile payments and credits under the billing plan to actual production and consumption at the end of the twelve (12) month period and apply any credits or charges to the Net Metered Accounts for any positive or negative difference, as applicable. Should there be a material change in circumstances at the Eligible Net Metering System Site or associated Net Metered Accounts during the twelve (12) month period, the estimate and credits may be adjusted by the Company during the reconciliation period. The Company also may elect (but is not required) to issue checks to any Net Metering Customer in lieu of billing credits or carry forward credits or charges to the next billing period. For residential Eligible Net Metering Systems twenty-five kilowatts (25) kW or smaller, the Company, at its option, may administer Renewable Net Metering Credits month to month allowing unused credits to carry forward into following billing period.
4. If the electricity generated by an Eligible Net Metering System during a billing period is equal to or less than the Net Metering Customer’s usage during the billing period for Net Metered Accounts at the Eligible Net Metering System Site, the customer shall receive Renewable Net Metering Credits, which shall be applied to offset the Net Metering

Customer's usage on Net Metered Accounts at the Eligible Net Metering System Site.

5. If the electricity generated by an Eligible Net Metering System during a billing period is greater than the Net Metering Customer's usage on Net Metered Accounts at the eligible Net Metering System Site during the billing period, the customer shall be paid by Excess Renewable Net Metering Credits for the excess electricity generated beyond the Net Metering Customer's usage at the Eligible Net Metering System Site up to an additional twenty-five percent (25%) of the Renewable Self-generator's consumption during the billing period; unless the Company and Net Metering Customer have agreed to a billing plan pursuant to Section II.3.
6. As a condition to receiving Renewable Generation Credits or Excess Renewable Generation Credit pursuant to this provision, customers who install Eligible Net Metering Systems must enter into an interconnection agreement and comply with the Company's Standards for Connecting Distributed Generation, as amended and superseded from time to time.
7. Customers eligible to receive Renewable Net Metering Credits or Excess Renewable Net Metering Credits pursuant to Sections II.4 and II.5, respectively, shall be required to complete Schedule B, attached hereto as Appendix A.
8. As a condition to receiving any payments pursuant to this provision, Customers who install Eligible Net Metering Systems with a nameplate capacity in excess of 60 kW must comply with any and all applicable New England Power Pool ("NEPOOL") and ISO-NE rules, requirements, or information requests that are necessary for the Eligible Net Metering System's electric energy output to be sold into the ISO-NE administered markets. If the Company must provide to NEPOOL or ISO-NE any information regarding the operation, output, or any other data in order to sell the output of the Eligible Net Metering System into the ISO-NE administered markets, the Eligible Net Metering System must provide such information to the Company in a timely manner.
9. NEPOOL and ISO-NE have the authority to impose fines, penalties, and/or sanctions on participants if it is determined that a participant is violating established rules in certain instances. Accordingly, to the extent that a fine, penalty, or sanction is levied by NEPOOL or the ISO-NE as a result of the Eligible Net Metering System's failure to comply with a NEPOOL or ISO-NE rule or information request, the Eligible Net Metering System will be responsible for the costs incurred by the Company, if any, associated with such fine, penalty or sanction.

III. Rates for Distribution Service to Eligible Net Metering System and Net Metered Accounts

1. Retail delivery service by the Company to the Eligible Net Metering System and Net Metered Accounts shall be governed by the tariffs, rates, terms, conditions, and policies for retail delivery service which are on file with the Commission.

2. The Standard Offer Service and retail delivery rates applicable to any Net Metered Account shall be the same as those that apply to the rate classification that would be applicable to such delivery service account in the absence of Net Metering including customer and demand charges and no other charges may be imposed to offset net metering credits.
3. Net Metered Accounts associated with an Eligible Net Metering System shall be exempt from backup service rates commensurate with the size of the Eligible Net Metering System.

IV. Cost Recovery

1. Any prudent and reasonable costs incurred by the Company pursuant to achieving compliance with R.I.G.L. Section 39-26.2 and the annual amount of any Renewable Net Metering Credits or Excess Renewable Net Metering Credits provided to Eligible Net Metering Systems, shall be aggregated by the Company and billed to all distribution customers on an annual basis through a uniform per kilowatt hour (kWh) Net Metering Charge embedded in the distribution component of the rates reflected on customer bills
2. The Company will include the energy market payments received from ISO-NE for the electricity generated by Eligible Net Metering Systems in the Company's annual reconciliation of the Net Metering Charge. Eligible Net Metering Systems with a nameplate capacity in excess of 60 kW 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 ISO-NE. The Company will report all exported power to the ISO-NE as a settlement only generator and net this reported usage and associated payment received against the annual amount of Standard Offer Service component of any renewable net metering credits or excess renewable net metering credits provided to accounts associated with eligible net metering systems.

Effective: April 1, 2012

THE NARRAGANSETT ELECTRIC COMPANY
NET METERING PROVISION

Schedule B

INFORMATION REQUIRED FOR APPLICATION OF RENEWABLE NET METERING
AND EXCESS RENEWABLE NET METERING CREDITS

Date: _____

Net Metering Customer ("NMC"): _____

NMC Address:

Estimated annual generation in kWhs of Eligible Net-Metering System _____

Net Metered Account(s)

The following information must be provided for each individual Net Metered Account:

Name: _____ (Except in the case of a municipal or
Multi-municipal Collaborative, the customer of record must be the same as the NMC)

Service Address: _____

National Grid Account number: _____

Three (3) years average kWh usage for this account _____

Total three (3) years average kWh usage for all accounts listed _____

THE NARRAGANSETT ELECTRIC COMPANY
NET METERING PROVISION

I. Definitions

“Commission” shall mean the Rhode Island Public Utilities Commission.

“Company” shall mean The Narragansett Electric Company d/b/a National Grid.

“Eligible Net Metering Resource” shall mean eligible renewable energy resource as defined in RIGL Section 39-26-5 including biogas created as a result of anaerobic digestion, but, specifically excluding all other listed eligible biomass fuels.

“Eligible Net Metering System” shall mean a facility generating electricity using an Eligible Net Metering Resource that is reasonably designed and sized to annually produce electricity in an amount that is equal to or less than the Renewable Self-generator’s usage at the Eligible Net Metering System Site measured by the three (3) year average annual consumption of energy over the previous three (3) years at the electric distribution account(s) located at the Eligible Net Metering System Site. A projected annual consumption of energy may be used until the actual three (3) year average annual consumption of energy over the previous three (3) years at the electric delivery service account(s) located at the Eligible Net Metering System Site becomes available for use in determining eligibility of the generating system. Schedule B of this tariff is required to be filled out completely to determine eligibility of the above accounts. The Eligible Net Metering System must be owned by the same entity that is the customer of record on the Net Metered Accounts. Notwithstanding any other provisions of this tariff, any Eligible Net Metering Resource: (i) owned by a Public Entity or Multi-municipal Collaborative or (ii) owned and operated by a renewable generation developer on behalf of a Public Entity or Multi-municipal Collaborative through a Public Entity Net Metering Financing Arrangement shall be treated as an Eligible Net Metering System and all delivery service accounts designated by the Public Entity or Multi-municipal Collaborative for net metering shall be treated as accounts eligible for net metering within an Eligible Net Metering System Site.

“Eligible Net Metering System Site” shall mean the site where the Eligible Net Metering System is located or is part of the same campus or complex of sites contiguous to one another and the site where the Eligible Net Metering System is located or a farm in which the Eligible Net Metering System is located. Except for an Eligible Net Metering System owned by or operated on behalf of a Public Entity or Multi-municipal Collaborative through a Public Entity Net Metering Financing Arrangement, the purpose of this definition is to reasonably assure that energy generated by the Eligible Net Metering System is consumed by net metered electric delivery service account(s) that are actually located in the same geographical location as the Eligible Net Metering System. Except for an Eligible Net Metering System owned by or operated on behalf of a Public Entity or Multi-municipal Collaborative through a Public Entity Net Metering Financing Arrangement, all of the Net Metered Accounts at the Eligible Net Metering System Site must be the accounts of the same customer of record and customers are not permitted to enter into agreements or arrangements to change the name on accounts for the purpose of artificially expanding the Eligible Net Metering System Site to contiguous sites in an attempt to avoid this restriction. However, a property owner may change the nature of the

metered service at the delivery service accounts at the site to be master metered (as allowed by applicable state law) in the owner's name, or become the customer of record for each of the delivery service accounts, provided that the owner becoming the customer of record actually owns the property at which the delivery service account is located. As long as the Net Metered Accounts meet the requirements set forth in this definition, there is no limit on the number of delivery service accounts that may be net metered within the Eligible Net Metering System Site. Schedule B of this tariff is required to be filled out completely to determine eligibility of the above accounts.

“Excess Renewable Net Metering Credit” shall mean a credit that applies to an Eligible Net Metering System for that portion of the Renewable Self-generator's production of electricity beyond one hundred percent (100%) and no greater than one hundred twenty-five percent (125%) of the Renewable Self-generator's own consumption at the Eligible Net Metering System Site during the applicable billing period. Such Excess Renewable Net Metering Credit shall be equal to the Company's avoided cost rate, defined for this purpose as the Standard Offer Service kilowatt-hour (kWh) charge for the rate class and time-of-use billing period, if applicable, applicable to the delivery service account(s) at the Eligible Net Metering System Site. Where there are delivery service accounts at the Eligible Net Metering System Site in different rate classes, the Company may calculate the Excess Renewable Net Metering Credit based on the average of the Standard Offer Service rates applicable to those on-site delivery service accounts. The Company has the option to use the energy received from such excess generation to serve the Standard Offer Service load. The Commission shall have the authority to make determinations as to the applicability of this credit to specific generation facilities to the extent there is an uncertainty or disagreement.

“Farm” shall be defined in accordance with RIGL Section 44-27-2, except that all buildings associated with the Farm shall be eligible for Renewable Net Metering Credits and Excess Renewable Net Metering Credits as long as: (i) the buildings are owned by the same entity operating the Farm or persons associated with operating the Farm; and (ii) the buildings are on the same farmland as the project on either a tract of land contiguous with or reasonably proximate to such farmland or across a public way from such farmland.

“ISO-NE” shall mean the Independent System Operator 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.

“Multi-municipal Collaborative” shall mean a group of towns and/or cities that enter into an agreement for the purpose of co-owning a renewable generation facility or entering into a Public Entity Net Metering Financing Arrangement.

“Municipality” shall mean any Rhode Island town or city, including any agency or instrumentality thereof, with the powers set forth in Title 45 of the general laws.

“NEPOOL” shall mean New England Power Pool.

“Net Metered Accounts” shall mean one or more electric delivery service accounts owned by a single customer of record on the same campus or complex of sites contiguous to one another and

the site where the Eligible Net Metering System is located or a Farm in which the Eligible Net Metering System is located, or all municipal delivery service accounts associated with an Eligible Net Metering System that is: (i) owned by a Public Entity or Multi-municipal Collaborative or (ii) owned and operated by a renewable generation developer on behalf of a Public Entity or Multi-municipal Collaborative through a Public Entity Net Metering Financing Arrangement, provided that the Net Metering Customer or the Public Entity or Multi-municipal Collaborative has submitted Schedule B (attached) with the individual billing account information for each Net Metered Account. Should there be a change to any of the information contained therein, it is the responsibility of the Net Metering Customer or the Public Entity or Multi-municipal Collaborative to submit a revised Schedule B in order for the Company to determine eligibility for the accounts 30 days prior to making any such change.

“Net Metering” shall mean using electricity generated by an Eligible Net Metering System for the purpose of self-supplying power at the Eligible Net Metering System Site and thereby offsetting consumption at the Eligible Net Metering System Site through the netting process established in this provision.

“Net Metering Customer” shall mean a customer of the Company receiving and being billed for electric delivery service whose delivery account(s) are being net metered.

“Person” shall mean an individual, firm, corporation, association, partnership, farm, town or city of the State of Rhode Island, Multi-municipal Collaborative, or the State of Rhode Island or any department of the state government, governmental agency or public instrumentality of the state.

“Project” shall mean a distinct installation of an Eligible Net Metering System. An installation will be considered distinct if it is installed in a different location, or at a different time, or involves a different type of renewable energy.

“Public Entity” means the State of Rhode Island, Municipalities, wastewater treatment facilities, public transit agencies or any water distributing plant or system employed for the distribution of water to the consuming public within the State of Rhode Island including the water supply board of the City of Providence.

“Public Entity Net Metering Financing Arrangement” shall mean arrangements entered into by a Public Entity or Multi-municipal Collaborative with a private entity to facilitate the financing and operation of a Net Metering resource, in which the private entity owns and operates an Eligible Net Metering Resource on behalf of a Public Entity or Multi-municipal Collaborative, where: (i) the Eligible Net Metering Resource is located on property owned or controlled by the Public Entity or one of the Municipalities, as applicable, and (ii) the production from the Eligible Net Metering Resource and primary compensation paid by the Public Entity or Multi-municipal Collaborative to the private entity for such production is directly tied to the consumption of electricity occurring at the designated Net Metered Accounts.

“Renewable Net Metering Credit” shall mean a credit that applies to an Eligible Net Metering System up to one hundred percent (100%) of the Renewable Self-generator’s usage at the Eligible Net Metering System Site over the applicable billing period. This credit shall be equal to the total kilowatt-hours of electricity generated and consumed on-site during the billing period multiplied by the sum of the:

- (i) Standard Offer Service kilowatt-hour charge for the rate class applicable to the net metering customer;
- (ii) Distribution kilowatt-hour charge;
- (iii) Transmission kilowatt-hour charge; and
- (iv) Transition kilowatt-hour charge.

“Renewable Self-generator” shall mean an electric delivery service customer who installs or arranges for an installation of renewable generation that is primarily designed to produce electricity for consumption by that same customer at its delivery service account(s).

II. Terms and Conditions

The following policies regarding Net Metering of electricity from Eligible Net Metering Systems and regarding any Person that is a Renewable Self-generator shall apply:

1. The maximum allowable capacity for Eligible Net Metering Systems, based on name plate capacity, shall be five megawatts (5 MW).
2. For ease of administering Net Metered Accounts and stabilizing Net Metered Account bills, the Company may elect (but is not required) to estimate for any twelve (12) month period i) the production from the Eligible Net Metering System and ii) aggregate consumption of the Net Metered Accounts at the Eligible Net Metering System Site and establish a monthly billing plan that reflects the expected Renewable Generation Credits and Excess Renewable Generation Credits that would be applied to the Net Metered Accounts over twelve (12) months. The billing plan would be designed to even out monthly billings over twelve (12) months, regardless of actual production and usage. If such election is made by the Company, the Company would reconcile payments and credits under the billing plan to actual production and consumption at the end of the twelve (12) month period and apply any credits or charges to the Net Metered Accounts for any positive or negative difference, as applicable. Should there be a material change in circumstances at the Eligible Net Metering System Site or associated Net Metered Accounts during the twelve (12) month period, the estimate and credits may be adjusted by the Company during the reconciliation period. The Company also may elect (but is not required) to issue checks to any Net Metering Customer in lieu of billing credits or carry forward credits or charges to the next billing period. For residential Eligible Net Metering Systems twenty-five kilowatts (25 kW) or smaller, the Company, at its option, may administer Renewable Net Metering Credits month to month allowing unused credits to carry forward into following billing period.
3. If the electricity generated by an Eligible Net Metering System during a billing period is equal to or less than the Net Metering Customer’s usage during the billing period for Net Metered Accounts at the Eligible Net Metering System Site, the customer shall receive Renewable Net Metering Credits, which shall be applied to offset the Net Metering Customer’s usage on Net Metered Accounts at the Eligible Net Metering System Site.

4. If the electricity generated by an Eligible Net Metering System during a billing period is greater than the Net Metering Customer's usage on Net Metered Accounts at the Eligible Net Metering System Site during the billing period, the customer shall be paid by Excess Renewable Net Metering Credits for the excess electricity generated beyond the Net Metering Customer's usage at the Eligible Net Metering System Site up to an additional twenty-five percent (25%) of the Renewable Self-generator's consumption during the billing period; unless the Company and Net Metering Customer have agreed to a billing plan pursuant to Section II.2.
5. As a condition to receiving Renewable Generation Credits or Excess Renewable Generation Credits pursuant to this provision, customers who install Eligible Net Metering Systems must enter into an interconnection agreement and comply with the Company's Standards for Connecting Distributed Generation, as amended and superseded from time to time.
6. Customers eligible to receive Renewable Net Metering Credits or Excess Renewable Net Metering Credits pursuant to Sections II.3 and II.4, respectively, shall be required to complete Schedule B.
7. As a condition to receiving any payments pursuant to this provision, customers who install Eligible Net Metering Systems with a nameplate capacity in excess of 25 kW must comply with any and all applicable NEPOOL and ISO-NE rules, requirements, or information requests that are necessary for the Eligible Net Metering System's electric energy output to be sold into the ISO-NE administered markets. If the Company must provide to NEPOOL or ISO-NE any information regarding the operation, output, or any other data in order to sell the output of the Eligible Net Metering System into the ISO-NE administered markets, the customer who installs an Eligible Net Metering System must provide such information to the Company prior to the project being authorized to operate in parallel with the Company's electric distribution system.
8. NEPOOL and ISO-NE have the authority to impose fines, penalties, and/or sanctions on participants if it is determined that a participant is violating established rules in certain instances. Accordingly, to the extent that a fine, penalty, and/or sanction is levied by NEPOOL or the ISO-NE as a result of the Owner of the Eligible Net Metering System's failure to comply with a NEPOOL or ISO-NE rule, requirement or information request, the Eligible Net Metering System will be responsible for the costs incurred by the Company, if any, associated with such fine, penalty and/or sanction.

III. Rates for Distribution Service to Eligible Net Metering System and Net Metered Accounts

1. Retail delivery service by the Company to the Eligible Net Metering System and Net Metered Accounts shall be governed by the tariffs, rates, terms, conditions, and policies for retail delivery service which are on file with the Commission.

2. The Standard Offer Service and retail delivery rates applicable to any Net Metered Account shall be the same as those that apply to the rate classification that would be applicable to such delivery service account in the absence of Net Metering, including customer and demand charges, and no other charges may be imposed to offset Net Metering Credits.
3. Net Metered Accounts associated with an Eligible Net Metering System shall be exempt from backup service rates commensurate with the size of the Eligible Net Metering System.

IV. Cost Recovery

1. Any prudent and reasonable costs incurred by the Company pursuant to achieving compliance with RIGL Section 39-26.2-3(a) and the annual amount of any Renewable Net Metering Credits or Excess Renewable Net Metering Credits provided to Eligible Net Metering Systems, shall be aggregated by the Company and billed to all distribution customers on an annual basis through a uniform per kilowatt hour (kWh) Net Metering Charge embedded in the distribution component of the rates reflected on customer bills.
2. The Company will include the energy market payments received from ISO-NE for the electricity generated by Eligible Net Metering Systems in the Company's annual reconciliation of the Net Metering Charge. Eligible Net Metering Systems with a nameplate capacity in excess of 25 kW 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 ISO-NE. The Company will report all exported power to the ISO-NE as a settlement only generator and net this reported usage and associated payment received against the annual amount of Standard Offer Service component of any Renewable Net Metering Credits or Excess Renewable Net Metering Credits provided to accounts associated with Eligible Net Metering Systems.

Effective: April 1, 2015

Schedule B – Additional Information Required for Net Metering Service

THE NARRAGANSETT ELECTRIC COMPANY
NET-METERING APPLICATION OF CREDITS

Customer Name: _____

Account Number: _____

Facility Address: _____

City: _____ State: RI Zip Code: _____

The Agreement is between _____, a Net-Metered Customer (“NMC”) and The Narragansett Electric Company (the “Company”) for application of credits earned through net-metering from the NMC located at _____, Rhode Island.

The NMC agrees to comply with the provisions of the Net-Metering Provision, the applicable retail delivery tariffs and the Terms and Conditions for Distribution Service that are on file with the Rhode Island Public Utilities Commission as currently in effect or as modified, amended, or revised by the Company, and to pay any metering and interconnection costs required under such tariff and policies.

A.) NMC Address: _____

Nameplate rating (AC) of the Eligible Net Metering System _____ kW
Estimated annual generation in kWh of Eligible Net-Metering System _____ kWh

Net Metered Account(s)

The following information must be provided for each individual Net Metered Account in a proposed Eligible Net Metering site:

Name: _____ (Except in the case of a Public Entity or Multi-municipal Collaborative, the customer of record must be the same as the NMC)

Service Address: _____

National Grid Account number: _____

Three (3) years average kWh usage for this account _____

Total three (3) years average kWh usage for all accounts listed as an Eligible Net Metering Site

Once this information is received, the Company will determine if the accounts listed are eligible for net metering.

B.) For any Billing Period in which the NMC earns Net Metering Credits, please indicate how the Distribution Company will apply them:

- Apply all of the Net Metering Credits to the account of the NMC (skip Items C and D below)
- Allocate all the Net Metering Credits to the accounts of eligible Customers (please fill out C and D below)
- Both apply a portion of the Net Metering Credits to the NMC's account and allocate a portion to the accounts of eligible Customers (please fill out C and D below)

The Company will notify the NMC within 30 days of the Company's receipt of Schedule B whether it will allocate or purchase Net Metering Credits. If the Company elects to purchase Net Metering Credits, the Company will render payment by issuing a check to the NMC each Billing Period, unless otherwise agreed in writing by the NMC and Company. If the Company elects to allocate Net Metering Credits, the NMC must complete Item C and submit the revised Schedule B to the Company.

C.) Please state the total percentage of Net Metering Credits to be allocated.

% Amount of the Net Metering Credit being allocated.

The total amount of Net Metering Credits being allocated shall not exceed 100%. Any remaining percentage will be applied to the NMC's account.

Please identify each eligible Customer account to which the NMC is allocating Net Metering Credits by providing the following information (attach additional pages as needed):

NOTE: If a designated Customer account closes, the allocated percentage will revert to the NMC's account, unless otherwise mutually agreed in writing by the NMC and the Company.

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

D.) The terms of this Schedule B shall remain in effect unless and until the NMC executes a revised Schedule B and submits it to the Company. Unless otherwise required herein or mutually agreed to in writing by the NMC and the Company, a revised Schedule B shall not be submitted more than once in any given calendar year.

E.) A signature on the application shall constitute certification that (1) the NMC has read the application and knows its contents; (2) the contents are true as stated, to the best knowledge and belief of the NMC; and (3) the NMC possesses full power and authority to sign the application.

Notice

Execution of this agreement will cancel any previous agreement for the net-metered account under the Net-Metering Provision.

The Company or NMC may terminate this agreement on thirty (30) days written notice, which includes a statement of reasons for such termination. In addition, the NMC must re-file this agreement annually.

Agreed and Accepted – Please sign

[NAME OF NMC] Date: _____

By: _____

Name:
Title:

The Narragansett Electric Company Date: _____
d/b/a National Grid

By: _____

Name:
Title:

THE NARRAGANSETT ELECTRIC COMPANY
NET METERING PROVISION

I. Definitions

“**Commission**” shall mean the Rhode Island Public Utilities Commission.

“**Community Remote Net Metering System**” shall mean an Eligible Net Metering System that allocates Net Metering Credits to an Eligible Credit Recipient pursuant to this Tariff. The Community Remote Net Metering System may be owned by either the same entity that is the customer of record on the Net Metered Account or a Third Party.

“**Company**” shall mean The Narragansett Electric Company d/b/a National Grid.

“**Eligible Credit Recipient**” means one of the following whose electric service account or accounts may receive Net Metering Credits from a Community Remote Net Metering System:

- (a) Residential Credit Recipient means a residential account in good standing.
- (b) Low or Moderate-Income Housing Eligible Credit Recipient means an electric service account or accounts in good standing associated with any housing development or developments owned and operated by a public agency, nonprofit organization, limited equity housing cooperative, or private developer, that receives assistance under any federal, state, or municipal government program to assist the construction or rehabilitation of housing affordable to low or moderate-income households, as defined in the applicable federal or state statute, or local ordinance, encumbered by a deed restriction or other covenant recorded in the land records of the municipality in which the housing is located, that:
 - (1) Restricts occupancy of no less than fifty percent (50%) of the housing to households with a gross annual income that does not exceed eighty percent (80%) of the area median income, as defined annually by the United States Department of Housing and Urban Development (“HUD”);
 - (2) Restricts the monthly rent, including a utility allowance, that may be charged to residents, to an amount that does not exceed thirty percent (30%) of the gross monthly income of a household earning eighty percent (80%) of the area median income, as defined annually by HUD; or
 - (3) Has an original term of not less than thirty (30) years from initial occupancy. Electric service account or accounts in good standing associated with housing developments that are under common ownership or control may be considered a single low or moderate-income housing Eligible Credit Recipient. The value of the credits shall be used to provide benefits to tenants.

The Net Metering Customer must submit documentation in the form of a letter from Rhode Island Housing certifying that each Low or Moderate-Income Housing Eligible Credit Recipient meets the eligibility criteria specified in this section.

“Educational Institutions” shall mean public and private schools at the primary, secondary and post-secondary levels.

“Eligible Net Metering Resource” shall mean eligible renewable energy resource, 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.

“Eligible Net Metering System” shall mean a facility generating electricity using an Eligible Net Metering Resource that is reasonably designed and sized to annually produce electricity in an amount that is equal to or less than the Net Metering Customer’s usage at the Eligible Net Metering System Site measured by the three-year average annual consumption of energy over the previous three years at the Net Metered Account(s) located at the Eligible Net Metering System Site. A projected annual consumption of energy may be used until the actual three-year average annual consumption of energy over the previous three years at the Net Metered Account(s) located at the Eligible Net Metering System Site becomes available for use in determining eligibility of the generating system. The Eligible Net Metering System may be owned by the same entity that is the customer of record on the Net Metered Accounts or may be owned by a Third Party that is not the Net Metering Customer or the customer of record on the Net Metered Accounts and which may offer a Third-Party Net Metering Financing Arrangement or Net Metering Financing Arrangement, as applicable. Notwithstanding any other provisions of this Tariff, any Eligible Net Metering Resource: (i) owned by a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-municipal Collaborative, (ii) owned and operated by a renewable generation developer on behalf of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-municipal Collaborative through a Net Metering Financing Arrangement or (iii) that is a Community Remote Net Metering System, shall be treated as an Eligible Net Metering System, and all delivery service accounts designated by the Public Entity, Educational Institution, Hospital, Nonprofit, Multi-Municipal Collaborative, or Net Metering Customer for a Community Remote Net Metering System for net metering shall be treated as accounts eligible for net metering within an Eligible Net Metering System Site.

“Eligible Net Metering System Site” shall mean the site where the Eligible Net Metering System is located or is part of the same campus or complex of sites contiguous to one another and the site where the Eligible Net Metering System is located or a farm in which the Eligible Net Metering System is located. Except for an Eligible Net Metering System owned by or operated on behalf of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative through a Net Metering Financing Arrangement, or a Community Remote Net Metered System, the purpose of this definition is to reasonably assure that energy generated by the Eligible Net Metering System is consumed by net metered electric delivery service account(s) that are actually located in the same geographical location as the Eligible Net Metering System. All energy generated from any Eligible Net Metering System is and will be considered consumed at the meter where the Eligible Net Metering System is interconnected for valuation purposes. Except for an Eligible Net Metering System owned by or operated on behalf of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative through a Net Metering Financing Arrangement, or a Community Remote Net Metering System, all of the Net Metered Accounts at the Eligible Net Metering System Site must be the accounts of the same customer of record, and customers are not permitted to enter into agreements or arrangements to change the name on accounts for the purpose of artificially expanding the

Eligible Net Metering System Site to contiguous sites in an attempt to avoid this restriction. However, a property owner may change the nature of the metered service at the delivery service accounts at the site to be master metered (as allowed by applicable state law) in the owner's name, or become the customer of record for each of the delivery service accounts, provided that the owner becoming the customer of record actually owns the property at which the delivery service account is located. As long as the Net Metered Accounts meet the requirements set forth in this definition, there is no limit on the number of delivery service accounts that may be net metered within the Eligible Net Metering System Site.

“Excess Renewable Net Metering Credit” shall mean a credit that applies to an Eligible Net Metering System for that portion of the production of electrical energy beyond one hundred percent (100%) and no greater than one hundred twenty-five percent (125%) of the Net Metering Customer's own consumption at the Eligible Net Metering System Site or the aggregate consumption of the Net Metered Accounts during the applicable billing period. Such Excess Renewable Net Metering Credit shall be equal to the Company's avoided cost rate, defined for this purpose as the Standard Offer Service kilowatt-hour (kWh) charge for the rate class and time-of-use billing period, if applicable, that is applicable to the Net Metering Customer for the Eligible Net Metering System. The Commission shall have the authority to make determinations as to the applicability of this credit to specific generation facilities to the extent there is an uncertainty or disagreement.

“Farm” shall be defined in accordance with R.I. Gen. Laws § 44-27-2, except that all buildings associated with the Farm shall be eligible for Net Metering Credits as long as: (i) the buildings are owned by the same entity operating the Farm or persons associated with operating the Farm; and (ii) the buildings are on the same farmland as the project on either a tract of land contiguous with or reasonably proximate to such farmland or across a public way from such farmland.

“Hospital” shall mean and shall be defined and established as set forth in Chapter 17 of Title 23 of Rhode Island General Laws.

“ISO-NE” shall mean the Independent System Operator 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.

“Multi-Municipal Collaborative” shall mean a group of towns and/or cities that enter into an agreement for the purpose of co-owning a renewable generation facility or entering into a Net Metering Financing Arrangement.

“Municipality” shall mean any Rhode Island town or city, including any agency or instrumentality thereof, with the powers set forth in Title 45 of Rhode Island General Laws.

“NEPOOL” shall mean New England Power Pool.

“Net Metered Accounts” shall mean one or more electric delivery service accounts owned by a single customer of record on the same campus or complex of sites contiguous to one another and the site where the Eligible Net Metering System is located or a Farm in which the Eligible Net Metering System is located, or the electric delivery service account(s) associated with an Eligible

Net Metering System that is: (i) owned by a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative or (ii) owned and operated by a renewable generation developer on behalf of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative through a Net Metering Financing Arrangement; or (iii) a Community Remote Net Metering System, provided that the Net Metering Customer has submitted Schedule B (attached) with the individual billing account information for each Net Metered Account. Should there be a change to any of the information contained in Schedule B, the Net Metering Customer is responsible for submitting a revised Schedule B in order for the Company to determine eligibility for the accounts 30 business days prior to making any such change.

“Net Metering” shall mean using electrical energy generated by an Eligible Net Metering System for the purpose of self-supplying electrical energy and power at the Eligible Net Metering System Site or, with respect to a Community Remote Net Metering System or a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative system, for the purpose of generating Net Metering Credits to be applied to the electric bills of the Net Metered Accounts of the Net Metering Customer.

“Net Metering Credits” shall mean the combination of Renewable Net Metering Credits and Excess Renewable Net Metering Credits, if Excess Renewable Net Metering Credits are produced.

“Net Metering Customer” shall mean an electric delivery service customer of record for the Eligible Net Metering System.

“Nonprofit” shall mean a nonprofit corporation as defined and established through Chapter 6 of Title 7 of Rhode Island General Laws, and shall include religious organizations that are tax exempt pursuant to 26 U.S.C. §501(d).

“Person” shall mean an individual, firm, corporation, association, partnership, farm, town or city of the State of Rhode Island, Multi-municipal Collaborative, or the State of Rhode Island or any department of the state government, governmental agency or public instrumentality of the state.

“Project” shall mean a distinct installation of an Eligible Net Metering System. An installation will be considered distinct if it is installed in a different location, or at a different time, or involves a different type of renewable energy.

“Public Entity” means the federal government, State of Rhode Island, Municipalities, wastewater treatment facilities, public transit agencies or any water distributing plant or system employed for the distribution of water to the consuming public within the State of Rhode Island, including the water supply board of the City of Providence.

“Net Metering Financing Arrangement” shall mean arrangements entered into by a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative with a private entity to facilitate the financing and operation of a Net Metering resource, in which the private entity owns and operates an Eligible Net Metering Resource on behalf of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative, where: (i) the Eligible Net Metering Resource is located on property owned or controlled by the Public Entity,

Educational Institution, Hospital, or one of the Municipalities, as applicable, and (ii) the production from the Eligible Net Metering Resource and primary compensation paid by the Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative to the private entity for such production is directly tied to the consumption of electricity occurring at the designated Net Metered Accounts.

“Renewable Net Metering Credit” shall mean a credit that applies up to one hundred percent (100%) of a Net Metering Customer’s consumption at the Eligible Net Metering System Site or the aggregate consumption of the Net Metered Accounts over the applicable billing period. This credit shall be equal to the total kilowatt-hours of electrical energy generated up to the amount consumed on-site by the Net Metering Customer or the Net Metered Accounts during the billing period multiplied by the sum of the:

- (i) Standard Offer Service kilowatt-hour charge for the rate class applicable to the Net Metering Customer, not including the Renewable Energy Standard charge;
- (ii) Distribution kilowatt-hour charge;
- (iii) Transmission kilowatt-hour charge; and
- (iv) Transition kilowatt-hour charge.

Notwithstanding the foregoing, except for systems that have requested an interconnection study for which payment has been received by the Company by December 31, 2018, or if an interconnection study is not required, a completed and paid interconnection application has been received by the Company by December 31, 2018, commencing January 1, 2050, the Renewable Net Metering Credit for all remote Public Entity and Multi-Municipal Collaborative Net Metering systems shall not include the distribution kilowatt-hour charge.

“Third Party” means and includes any person or entity other than the Net Metering Customer who owns or operates the Eligible Net Metering System for the benefit of the Net Metering Customer.

“Third Party Net Metering Financing Arrangement” means the financing of Eligible Net Metering Systems through lease arrangements or power/credit purchase agreements between a Third Party and a Net Metering Customer, except for those entities under a Net Metering Financing Arrangement. A Third Party engaged in providing financing arrangements related to such Eligible Net Metering Systems with a public or private entity is not a public utility as defined in R.I. Gen. Laws § 39-1-2.

II. Terms and Conditions

The following policies regarding Net Metering of electricity from Eligible Net Metering Systems and regarding any Person or entity that is a Net Metering Customer shall apply:

- (1) The maximum allowable capacity for Eligible Net Metering Systems, based on name plate capacity, is 10MW.
- (2) Through December 31, 2018, the maximum aggregate amount of Community Remote Net Metering Systems built shall be thirty megawatts (30 MW). Any of the unused MW

amount after December 31, 2018 shall remain available to Community Remote Net Metering Systems until the 30 MW aggregate amount is interconnected. After December 31, 2018, the Commission may expand or modify the aggregate amount after a public hearing upon petition by the OER. The Commission shall determine, within six (6) months of such petition being docketed by the Commission, whether the benefits of the proposed expansion exceed the cost. This 30 MW aggregate amount shall not apply to any Net Metering Financing Arrangement involving Public Entity facilities, Multi-Municipal Collaborative facilities, Educational Institutions, the federal government, Hospitals, or Nonprofits.

(i) Net Metering Customers with a Community Remote Net Metering System must obtain an allocation of capacity under the cap set forth in Section II.(2) above. Customers applying for such capacity must provide or show proof of the following: a) a completed Impact Study for Renewable Distributed Generation or a valid fully executed interconnection service agreement; b) site control for the location of the Eligible Net Metering System; and c) a performance deposit as set forth in section (iii) below. If an application meets these requirements, until the capacity limit has been reached, the Community Remote Net Metering System will be provided a cap allocation that will be valid for 24 months from the date of issuance, except as provided in sections 2(v) and 2(vi), below. Projects that apply for a capacity allocation after the MW of applications approved has reached the cap will be kept on a waiting list in the order of complete application with the exception of the performance deposit, which will not be required for the waiting list, but must be paid within five business days from time of notification that capacity becomes available for a project. Applicants that fail to pay the performance deposit within this time frame shall lose their spot on the waiting list.

(ii) If a Community Remote Net Metering System with a cap allocation (a) is not commercially operational or (b) has not met the credit allocation requirements under Section II.(7) below on or before the date that is 24 months from the issuance of the cap allocation (“Cap Expiration Date”), the capacity allocation for the Community Remote Net Metering System will be cancelled, and that capacity will be made available to other applicants, except as provided in sections 2(v) and 2(vi), below. Once cancelled, a customer may apply for a cap allocation again with payment of another performance deposit.

(iii) Customers seeking a Community Remote Net Metering System cap allocation under item (i) above will be required to submit a performance deposit equal to \$25.00 multiplied by the expected annual megawatt-hour output of the system, or \$75,000.00, whichever is less. The deposit will be refunded after the Company verifies that the Community Remote Net Metering System has achieved commercial operation and has met the credit allocation requirements under Section II.(7) below. In the event that the Community Remote Net Metering System does not achieve commercial operation or meet the credit allocation requirements prior to the Cap Expiration Date, the deposit will be forfeited and will be refunded to all customers through the Net Metering Surcharge.

(iv) The Company will track the amount of capacity that has been allocated and

that remains available under the Community Remote Net Metering System cap, and will post such information on its website, which will be updated on a monthly basis until the cap has been reached. The Company may establish additional procedures and guidelines to implement a system of processing, obtaining, and maintaining net metering cap allocations for Community Remote Net Metering Systems.

(v) The Cap Expiration Date may be extended by six (6) months (to 30 months) with no additional performance deposit. The Cap Expiration Date may be extended for an additional six (6) months beyond that (to 36 months) by posting one-half of the original performance deposit if a Community Remote Net Metering System still does not achieve commercial operation or has not met the credit allocation requirements under Section II.(7) below because of :

- 1) Demonstrable lack of action or failure on the part of a governmental agency to issue a required permit or approval in the normal course. The Customer must provide to the Company evidence that it filed either a preapplication or completed state or municipal permit application for the Community Remote Net Metering System and that such preapplication or permit application was officially accepted by the applicable state agency or municipality as a complete application within the first six (6) months of being awarded capacity by the Company; providing such evidence shall be deemed sufficient for the Company to grant the additional six (6) months (to 36 months) extension to the Customer; or
- 2) Project construction related delays associated with weather, materials, or labor, which are in good faith and beyond the control of the Customer, and could not have been prevented or avoided (each, a "Delay Event").

(vi) If the Cap Expiration Date cannot be met because 1) the Company's interconnection work is not complete ("Interconnection Delay"), or 2) there is a pending legal challenge or moratorium (collectively, a "Permit Delay") after the permit process has been started, affecting one or more required governmental permits or approvals that is not resolved by the expiration of the 36-month period set forth in section 2(v) above, and the Interconnection Delay or Permit Delay, as applicable is not attributable to any action or inaction of the Customer, the Cap Expiration Date shall be extended by the period of the Interconnection Delay or Permit Delay, as applicable, with no additional performance deposit required. With respect to a Permit Delay, the Customer must provide evidence of the legal challenge or moratorium to the Company and Office of Energy Resources and a monthly update on the status of the pending legal challenge or moratorium. Failure by the Customer to provide such status updates to the Company and Office of Energy Resources may result in the termination of capacity with the Customer by the Company. Nothing herein shall be construed to alter or amend any timeframes set forth in the Customer's interconnection service agreement and/or the Company's interconnection tariff.

(vii) In the event of a request for an extension due to a Delay Event under section

2(v), above and/or a Permit Delay under section 2(vi), above, the Customer must give the Company, and Office of Energy Resources written notice within thirty (30) days of pending project deadline milestone (i.e. 24, 30, 36 months) and certify to the existence of the Delay Event and/or the Permit Delay prior to the Cap Expiration Date, providing details regarding the nature, extent of, and expected duration of the Delay Event and/or the Permit Delay.

- (3) If the electricity generated by an Eligible Net Metering System during a billing period is equal to or less than the Net Metering Customer's usage at the Eligible Net Metering System Site, or the aggregate consumption of the Net Metered Accounts, the Net Metering Customer shall receive Renewable Net Metering Credits, which shall be applied to offset the Net Metering Customer's usage on Net Metered Accounts at the Eligible Net Metering Site, or shall be used to credit the Net Metered Accounts, as applicable.
- (4) Unless the Company and Net Metering Customer have agreed to a billing plan pursuant to Section II(8) of this Tariff, if the electricity generated by an Eligible Net Metering System during a billing period is greater than the Net Metering Customer's usage or the aggregate consumption of the Net Metered Accounts, as applicable, during the billing period, the Net Metering Customer shall be paid Excess Renewable Net Metering Credits for the excess generation up to an additional twenty-five percent (25%) of the Net Metering Customer's consumption or the aggregate consumption of the Net Metered Accounts during the billing period.
- (5) For purposes of administering Sections II(3) and II(4) of this Tariff, on a monthly basis, the Company will apply Renewable Net Metering Credits to the Net Metered Accounts for all kWh generated by the Eligible Net Metering System. On an annual basis, the Company will compare kWh generated by the Eligible Net Metering System during the applicable 12-month period to the on-site consumption of the Net Metering Customer or the aggregate consumption of the Net Metered Accounts, as applicable, or to the three-year average aggregate sum of the on-site consumption of the Net Metered Accounts of a Community Remote Net Metering System. If such consumption is less than the kWh generated by the Eligible Net Metering System during the applicable 12-month period, the Company will apply a billing charge to the Net Metering Customer's account equal to the difference between the Renewable Net Metering Credit and the Excess Renewable Net Metering Credit in effect during the applicable 12-month period multiplied by the difference between the kWh generated by the Eligible Net Metering System and the consumption during the same 12-month period. If the kWh generated by the Eligible Net Metering System during the applicable 12-month period exceeds such consumption by more than 25 percent, the Company will apply a billing charge to the Net Metering Customer's account equal to the Renewable Net Metering Credit in effect during the applicable 12-month period multiplied by the kWh generated in excess of 125 percent of the consumption.
- (6) All Net Metering Customers shall be required to complete Schedule B. Renewable Net Metering Credits will be applied to Net Metered Accounts in the manner specified on Schedule B. Changes to Schedule B may be submitted to the Company on a quarterly basis.

- (7) A Community Remote Net Metering System must allocate Net Metering Credits to a minimum of (i) one account for a system associated with Low or Moderate Income Housing Eligible Credit Recipient or (ii) three (3) Eligible Credit Recipient accounts.

If Net Metering Credits are allocated to three or more Eligible Credit Recipient accounts, the following shall apply to all accounts except for those accounts associated with Low or Moderate-Income Housing Eligible Credit Recipients:

- a. No more than fifty percent (50%) of the Net Metering Credits may be allocated to one Eligible Credit Recipient; and
- b. At least fifty percent (50%) of the Net Metering Credits must be allocated to the remaining Eligible Credit Recipients in an amount allocated to each Recipient that does not exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity.

These requirements must be met before the Company authorizes the project to operate.

The Community Remote Net Metering System may transfer credits to Eligible Credit Recipients in an amount that is equal to or less than the aggregate consumption of the Net Metered Accounts measured by the three-year average annual consumption of energy over the previous three years. A projected annual consumption of energy may be used until the actual three-year average annual consumption of energy over the previous three years at the Net Metered Accounts becomes available.

- (8) For ease of administering Net Metered Accounts and stabilizing Net Metered Account bills, the Company may elect (but is not required) to estimate for any 12-month period (i) the production from the Eligible Net Metering System and (ii) aggregate consumption of the Net Metered Accounts and establish a monthly billing plan that reflects the expected Net Metering Credits that would be applied to the Net Metered Accounts over 12 months. The billing plan would be designed to even out monthly billings over 12 months, regardless of actual production and usage. If the Company makes such an election, the Company would reconcile payments and credits under the billing plan to actual production and consumption at the end of the 12-month period and apply any credits or charges to the Net Metered Customer Accounts for any positive or negative difference, as applicable. Should there be a material change in circumstances at the Eligible Net Metering System Site or associated Net Metered Accounts during the 12 month period, the Company may adjust the estimate and credits during the reconciliation period. The Company may also (but is not required to) elect to issue checks to any Net Metering Customer in lieu of billing credits or carry forward credits or charges to the next billing period. For residential Eligible Net Metering Systems that are twenty-five kilowatts (25 kW) or smaller, the Company, at its option, may administer Renewable Net Metering Credits month to month allowing unused credits to carry forward into following billing period.
- (9) As a condition to receiving Net Metering Credits pursuant to this Tariff, customers who install Eligible Net Metering Systems must enter into an interconnection agreement and comply with the Company's Standards for Connecting Distributed Generation, as amended and superseded from time to time.

- (10) As a condition to receiving any payments pursuant to this provision, Net Metering Customers who install Eligible Net Metering Systems with a nameplate capacity in excess of 25 kW must comply with any and all applicable NEPOOL and ISO-NE rules, requirements, or information requests that are necessary for the Eligible Net Metering System's electric energy output to be sold into the ISO-NE administered markets. If the Company must provide to NEPOOL or ISO-NE any information regarding the operation, output, or any other data in order to sell the output of the Eligible Net Metering System into the ISO-NE administered markets, the Net Metering Customer who installs an Eligible Net Metering System must provide such information to the Company prior to the project being authorized to operate in parallel with the Company's electric distribution system.
- (11) NEPOOL and ISO-NE have the authority to impose fines, penalties, and/or sanctions on participants if it is determined that a participant is violating established rules in certain instances. Accordingly, to the extent that a fine, penalty, and/or sanction is levied by NEPOOL or the ISO-NE as a result of the Net Metering Customer's failure to comply with a NEPOOL or ISO-NE rule, requirement, or information request, the Net Metering Customer will be responsible for the costs incurred by the Company, if any, associated with such fine, penalty, and/or sanction.

III. Rates for Distribution Service to Net Metering Customers and Net Metered Accounts

- (1) Retail delivery service by the Company to the Net Metering Customer and Net Metered Accounts shall be governed by the tariffs, rates, terms, conditions, and policies for retail delivery service that are on file with the Commission.
- (2) The Standard Offer Service and retail delivery rates applicable to any Net Metered Account shall be the same as those that apply to the rate classification that would be applicable to such delivery service account in the absence of Net Metering, including customer and demand charges, and no other charges may be imposed to offset Net Metering Credits.
- (3) Net Metering Customers shall be exempt from backup service rates commensurate with the size of the Eligible Net Metering System.

IV. Cost Recovery

- (1) Any prudent and reasonable costs incurred by the Company pursuant to achieving compliance with R.I. Gen. Laws § 39-26.2-3(a) and the annual amount of any Net Metering Credits provided to Net Metering Customers or Net Metered Accounts shall be aggregated by the Company and billed to all distribution customers on an annual basis through a uniform per kilowatt hour (kWh) Net Metering Charge embedded in the distribution component of the rates reflected on customer bills.
- (2) The Company will include the energy market payments received from ISO-NE for the electricity generated by Eligible Net Metering Systems in the Company's annual

reconciliation of the Net Metering Charge. Eligible Net Metering Systems with a nameplate capacity in excess of 25 kW 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 ISO-NE. The Company will report all exported power to the ISO-NE as a settlement only generator and net this reported usage and associated payment received against the annual amount of Standard Offer Service component of any Net Metering Credits provided to Net Metering Customers or Net Metered Accounts.

Effective: August 1, 2018

Schedule B – Additional Information Required for Net Metering Service

THE NARRAGANSETT ELECTRIC COMPANY
NET-METERING APPLICATION OF CREDITS

Customer Name: _____

Account Number: _____

Facility Address: _____

City: _____ State: RI Zip Code: _____

The Agreement is between _____, a Net Metering Customer (“NMC”) and The Narragansett Electric Company (the “Company”) for application of Net Metering Credits earned through Net Metering from the NMC located at _____, Rhode Island.

The NMC agrees to comply with the provisions of the Net Metering Provision, the applicable retail delivery tariffs, and the Terms and Conditions for Distribution Service that are on file with the Rhode Island Public Utilities Commission as currently in effect or as modified, amended, or revised by the Company, and to pay any metering and interconnection costs required under such tariff and policies.

A) NMC Address: _____

Nameplate rating (AC) of the Eligible Net Metering System _____ kW
Estimated annual generation in kWhs of Eligible Net Metering System _____ kWh

Net Metered Account(s)

The following information must be provided for each individual Net Metered Account in a proposed Eligible Net Metering System Site:

Name: _____ (Except in the case of a Public Entity, Educational Institution, Hospital, Nonprofit, or Multi-Municipal Collaborative or Community Remote Net Metered System, the customer of record must be the same the customer for each Net Metered Account)

Service Address: _____

National Grid Account number: _____

Three-year average kWh usage for this account _____

Total three-year average kWh usage for all accounts as associated with an Eligible Net Metering System Site _____

Once this information is received, the Company will determine whether the accounts listed are eligible for net metering.

B) For any Billing Period in which the NMC earns Net Metering Credits, please indicate how the Distribution Company will apply them:

- Apply all of the Net Metering Credits to the account of the NMC (skip Items C and D below)
- Allocate all the Net Metering Credits to the accounts of eligible Customers (please fill out C and D below)
- Both apply a portion of the Net Metering Credits to the NMC's account and allocate a portion to the accounts of eligible Customers (please fill out C and D below)

The Company will notify the NMC within 30 days of the Company's receipt of Schedule B whether it will allocate or purchase Net Metering Credits. If the Company elects to purchase Net Metering Credits, the Company will render payment by issuing a check to the NMC each Billing Period, unless otherwise agreed in writing by the NMC and Company. If the Company elects to allocate Net Metering Credits, the NMC must complete Item C and submit the revised Schedule B to the Company.

C) Please state the total percentage of Net Metering Credits to be allocated.

% Amount of the Net Metering Credit being allocated.

The total amount of Net Metering Credits being allocated shall not exceed 100%. Any remaining percentage will be applied to the NMC's account.

Please identify each eligible Customer account to which the NMC is allocating Net Metering Credits by providing the following information (attach additional pages as needed):

NOTE: If a designated Customer account closes, the allocated percentage will revert to the NMC's account, unless otherwise mutually agreed in writing by the NMC and the Company.

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:
Amount of the Net Metering Credit: _____%

Name:
Billing Address:
Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

Name:

Billing Address:

Account number:

Amount of the Net Metering Credit: _____%

D) The terms of this Schedule B shall remain in effect unless and until the NMC executes a revised Schedule B and submits it to the Company. A revised Schedule B may be updated quarterly during a calendar year.

E) A signature on the application shall constitute certification that (1) the NMC has read the application and knows its contents; (2) the contents are true as stated, to the best knowledge and belief of the NMC; and (3) the NMC possesses full power and authority to sign the application.

Notice

Execution of this agreement will cancel any previous agreement for the Net Metered Accounts for the Eligible Net Metering System under the Net Metering Provision.

The Company or NMC may terminate this agreement on thirty (30) days written notice, which includes a statement of reasons for such termination. In addition, the NMC must re-file this agreement annually.

Agreed and Accepted – Please sign

[NAME OF NMC]

Date: _____

By: _____

Name:

Title:

The Narragansett Electric Company
d/b/a National Grid

Date: _____

By: _____

Name:

Title: