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PUBLIC UTILITIES COMMISSION

Memorandum

To: L. Massaro

Commission Clerk

From: D. R. Stearns

A. Contente

Division of Public Utilities & Carriers

Date: 5/14/2010

Re: Pascoag Utility District Tariff Advice Filing: Net Metering Program

RIPUC Docket 4173

On April 30, 2010 Pascoag Utility District ("Pascoag", or "Company") filed with the Commission a tariff advice proposing to implement a net metering tariff.

The Company requests an effective date of June 1, 2010 for the proposed tariff, R.I.P.U.C. No. 901. The filing, however, was received by the Commission on May 3. According to Commission's procedural rules at 1.9 APPLICATIONS (c) Tariff Advices: (2):

"No tariff advice can be effective unless thirty (30) days' notice is given to the public, the Division, the Attorney General, and any other known parties, by the utility. The utility must provide proof of notice to the Clerk." Therefore the tariff would be eligible for implementation no sooner than June 2.

Although "Renewable Energy Standards Definitions" (R.I.G.L. §39-26-2), at (17), titled "Obligated Entities" excludes Pascoag and Block Island from the RI Renewable Energy Standard, Pascoag requests authorization to implement its own net metering program.

Among the provisions included in the Company's proposal are the following:

- For purposes of identifying generating systems eligible for this tariff, the Company would begin by using, as a guide, eligible generation system resources described by and pursuant to RIGL §39-26-5 (A). Traditional gasoline, diesel, propane or natural gas fired portable or permanently mounted emergency generators would be excluded;
- The generating capacity of a customer's generating facility shall not exceed 10 kW (although larger applications would be reviewed on a case-by-case basis);
- Participation is limited to residential, owner-occupied homes not to exceed three-family dwellings;

- Participants will be responsible for all reasonable and necessary costs incurred by Pascoag relative to metering and data acquisition equipment.
- Reconciliations would be performed annually. If the customer is found to have generated electricity in excess of electricity used, a credit would be carried forward on the customer's account. If a credit is maintained for two or more consecutive annual reconciliations, the customer has the option of requesting a check in the amount of the credit.
- The amount credited to the generating customer shall be the Company's "blended" wholesale rate (Standard Offer Rate) regardless of the type of generating facility used by the customer.

A copy of the Division's informal data requests and Pascoag's responses is attached.

After review of Pascoag's filing and responses to Division data requests, and discussions with Company representatives, the Division has no objection to Commission approval of the tariff advice with the effective date of June 2, 2010.

Cc: Thomas Ahern,
Administrator, Division of Public Utilities and Carriers

S. Scialabba
Chief Accountant, Division of Public Utilities and Carriers

Attachment

STATE OF RHODE ISLAND
BEFORE THE PUBLIC UTILITIES COMMISSION
PROPOSED TARIFF ADVICE FILING: NET METERING POLICY
DOCKET 4173

FIRST SET OF INFORMATION REQUESTS OF
THE DIVISION OF PUBLIC UTILITIES AND CARRIERS

- Div 1-1: According to item 1 in "General Provisions", the generating capacity of the customer-generating facility shall not exceed 10 kilowatts. Does the Company intend to place a limit on the total aggregate system-wide net metering? Why, or why not?
Answer: Provided by William Guertin
Pascoag used 10 Kilowatts as a starting base load, because that is the typical load for the average use in a residential home.
- Div 1-2: According to item 1 in General Provisions, Pascoag describes eligible generation resources as "energy resources as described by and pursuant to §39-26-5(a)." The definition goes on to state that "The RIGL referred to herein is to be used as a guide only." Please clarify by stating specifically the types of generation and/or co-generation units that would be eligible for net metering.
Answer: Provided by William Guertin
Pascoag responded "Guide only" because we would like to treat this tariff as a working document and make amendments to it as needed to benefit the District and the customer.
- Div 1-3: According to item 2 in General Provisions, Pascoag explains that the proposed net metering program "...is intended for use at residential properties: specifically, owner-occupied, single family, not to exceed three family homes". Why has the Company chosen to exclude other customer classes?
Answer: Provided by William Guertin
At this current time, Pascoag would like to limit the program to the residential class of customers, so that we can work hand in hand with our customers who are interested in this program. Currently, we have one residential customer who has a solar project ready to go. Pascoag has not chosen to "exclude other classes" of customers such as small businesses or commercial, Pascoag would like the option to add them at a later date.