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November 23, 2011

Via E-mail and Regular Mail

Luly Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Blvd Warwick, R.I. 02888

RE: National Grid Tariff Advice to Amend R.I.P.U.C. No. 2035 Qualifying Purchase Power Plant, Docket No. 4268

Dear Ms. Massaro:

On behalf of CME Energy LLC ("CME"), please find enclosed an original and nine copies of CME's Response to Commission's Data Request dated November 16, 2011.

Please let me know if you have any questions concerning CME's response.

Sincerely

Alan M. Shoer (#3248)

cc: Parties to Service List (via e-mail)

590973.1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID TARIFF ADVICE

TO AMEND R.I.P.U.C. NO. 2035 DOCKET NO. 4268

QUALIFYING PURCHASE POWER RATE

RESPONSE OF CME ENERGY, LLC TO COMMISSION'S DATA REQUEST DATED NOVEMBER 16, 2011

REQUEST 1: Assuming that a customer with an annual usage of 1.0 MW is seeking to construct and install a 3.5 MW wind turbine.

(a) Would the facility above qualify as an Eligible Net metering System under the definition contained in R.I. Gen. Laws § 39-26.2-2(2)?

CME RESPONSE TO 1(a):

Yes, and CME also points out that such a project would qualify if the project is a municipal project or a project that is being developed for the benefit of a municipality.

Following the beginning of the definition of "Eligible Net Metering System" at 39-26.2-2(2) (quoted in the Commission's data request), there is a separate definition applicable to municipal projects that applies notwithstanding the size and usage prerequisites associated with other non-municipal net metering projects. The statute contains this additional definition:

"... Nothwithstanding any other provision 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 municipal or multi-municipal collaborative for net metering shall be treated as accounts eligible for net metering within an eligible net metering system site."

Therefore, "any" such municipal project that utilizes an "eligible resource" (e.g., solar) "shall be treated as an eligible net metering system" as a matter of law.

CME Energy, LLC, By its attorney

Alan M. Shoer
Adler Pollock & Sheehan P.C.
Date: November 23, 2011

REQUEST 1(b): If the answer to 1(b) is yes, please explain how it 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 site.

CME RESPONSE 1(b):

First, as noted above, there are special provisions applicable to a project owned or developed for a municipality that qualify such projects as long as an eligible renewable "resource" is utilized and regardless of the size of the design or the municipalities total usage on its accounts. The available net metering credit, and the rate applicable is limited by the statute at R.I. Gen. Laws 39-26.2-2(4) and (12), so that the design or the size a municipal project are not relevant in terms of whether a project is eligible.

Second, the amount of electricity production that is eligible for net metering treatment is limited at no more than 5 MW, and this limit is also applicable to municipal projects.

Finally, for municipal projects, CME also agrees that the two statutes are designed to work together and that a project is able to both net meter up to the 5 MW amount, and also may to sell any excess production beyond that threshold through a long term DG Contract: "A distributed generation project that also is being employed by a customer for net metering purposes may submit an application to sell the excess output from its distributed generation project." R.I. Gen. Laws § 39-26.2-6(g).

This makes clear that a customer is not restricted to selecting only the option to net meter, or to sell output through a DG Contract, but may utilize both opportunities, as a means to promote the policies established by the Net Metering and the DG Contract statutes.

Response Prepared by:

CME Energy, LLC, By its attorney

Alan M. Shoer Adler Pollock & Sheehan P.C.

Date: November 23, 2011

Certificate of Service

I hereby certify that on November 23, 2011 I filed this response with the Rhode Island Public Utilities Commission and emailed a true copy to the parties on the service list.

Alan M. Shoe