

March 30, 2015

BY HAND DELIVERY AND ELECTRONIC MAIL

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

RE: Docket 4536-A - Tariff Advice Filing for Renewable Energy Growth Program and Solicitation and Enrollment Process Rules Comparison for Non-Residential Customers Tariff

Dear Ms. Massaro:

To aid the PUC in its review in this docket, I have attached a redlined document that reflects the following:

1. Comparison of changes National Grid made to Sections 7 and 8 of RIPUC No. 2152, Renewable Energy Growth Program for Non-Residential Customers (Non-Residential Tariff) between National Grid's February 9 Rebuttal Testimony and March 6 filings in this docket; and
2. Comparison of changes National Grid made to Sections 7 and 8 of the Non-Residential Tariff between National Grid's March 6 and March 27 filings in this docket (there were no changes).

For ease of reference, National Grid has omitted other sections of the Non-Residential Tariff and has only included Sections 7 and 8 in this comparison document. Please note that National Grid did not make any changes to the Non-Residential Tariff that were not shared with the parties in this docket.

Thank you for your attention to this matter. If you have any questions concerning this filing, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosure

cc: Docket 4536-A Service List
Steve Scialabba, Division
Leo Wold, Esq., Division

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

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

- a. Prior to receiving compensation pursuant to Section 8 of this Tariff, an Applicant, at its own cost, must obtain Commission certification of a DG Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. Additionally, the Applicant shall seek, at the Company's request and at the Applicant's cost, qualification under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states (in addition to Rhode Island) and/or any federal renewable energy standard.
- b. The Applicant for a DG Project 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 and the NEPOOL Generation Information System for the creation of RECs, designate the Company, or another party as directed by the Company, as the Applicant's Responsible Party under the NEPOOL-GIS rules, and direct all RECs from

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the DG Project to the Company's appropriate NEPOOL-GIS account. If requested by the Company, Applicant will provide approvals or assignments, as necessary, to facilitate Applicants participation in asset aggregation or other model of asset registration and reporting.

~~e.~~ For the term specified in the applicable Tariff supplement, the Company shall have the irrevocable rights and title to the following products produced by the DG Project: (1) RECs; (2) energy ~~and capacity~~; and (3) any other environmental attributes or market products associated with the sale of energy or energy services produced by the DG Project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project at any time after it is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules. -

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

8. Performance-Based Incentive Payment

a. Eligibility

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

As a condition for receiving monthly payments pursuant to Section 9c, the Applicant must provide confirmation of the following: 1) the Company's written authority to interconnect to its electric distribution system and Applicant's payment of all amounts due; 2) Commission certification of the DG Project as an Eligible Renewable Energy Resource; 3) registration of the DG Project with the ISO-NE and NEPOOL GIS; and 4) except for small-scale and medium-scale solar, the Output Certification. If an Applicant or Customer is no longer in good standing with regard to ~~electric service accounts~~, payment plans or agreements, if applicable, and other obligations to the Company (including but not limited to meeting all obligations under an interconnection service agreement), the Company may withhold payments under this Tariff. In addition, the Customer must remain in good standing with regard to the electric service account receiving Bill Credits pursuant to this tariff.

b. Performance-Based Incentive

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

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

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

c. Performance Based Incentive Payment

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any Zonal Incentive where applicable, applied to the measured kilowatt-hours (kWh) produced by the DG Project, net of any Station Service.

Before a DG Project begins to operate, an Applicant must notify the Company of the manner by which it will be compensated for its output under one of the two options below. The Applicant may select Option 2 only if the DG Project can be configured to serve on-site load and the DG Project is reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Customer's On-Site Use as measured over the previous three (3) years at the electric service account located at the Customer's service location; 2) the annualized On-Site Use over the period of service to the Customer's service location if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the Project is located at a new service location. The Applicant may change the selection only one time after the DG Project begins to operate provided that the Applicant gives the Company no less than 60 days' notice to implement the change. Additional changes to the method of compensation may be allowed at the discretion of the Company. The options are:

1. Option 1: Direct payment of the entire Performance-Based Incentive Payment in the form of a check or such other payment method that is mutually agreed upon by the Company and the Applicant; or
2. Option 2: A combination of direct payment and a Customer bill credit, in which the value of the bill credit will be based upon the On-Site Use, up to, but not exceeding, the metered generation of the DG Project.

If a DG Project selects Option 2, the Performance-Based Incentive Payment shall be provided as follows:

The Customer's bill will be based upon the On-Site Use, the retail delivery service charges and the Standard Offer Service or Non-Regulated Power Producer charges in effect during the billing period and which apply to the Customer's retail delivery service rate class. The Company shall apply a Bill

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Credit, as calculated below, to offset the Customer's bill. The Bill Credit will appear as a separate line item on the Customer's bill.

$$BC = OSU \text{ (kWh)} \times (DCHG + SOS)$$

Where:

BC = Bill Credit

OSU (kWh) = On-Site Use kWh at the lesser of 1) the On-Site Use measured in kWh per month, or 2) the DG Project output measured in kWh per month.

DCHG = the sum of all retail delivery service per kWh charges applicable to the Customer's retail delivery service rate class per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.

SOS = the Standard Offer Service charge applicable to the Customer's retail delivery service rate class per RIPUC No. 2096, Summary of Standard Offer Service Rates, as may be amended from time to time.

The remaining amount of the Performance-Based Incentive Payment will be paid in the form a check (or another agreed-upon means) to the recipient as identified on the Application. The Customer will be responsible for paying any balance due on the electric bill in accordance with the Terms and Conditions for Distribution Service.

If the Bill Credit in a given month exceeds the Performance-Based Incentive Payment, the Customer shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable Standard Offer Service charges, excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Customer or the recipient identified on the Application.

Only one billing account will be eligible to receive Bill Credits from each DG Project pursuant to this provision.

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