

National Grid

The Narragansett Electric Company

**2017 RENEWABLE ENERGY  
GROWTH PROGRAM**

Consisting of:  
Tariffs and Solicitation and Enrollment  
Process Rules

Pre-filed Testimony and  
Schedules of Ian Springsteel

November 15, 2016

Submitted to:

Rhode Island Public Utilities Commission  
RIPUC Docket No. 6894

Submitted by:

**nationalgrid**



November 15, 2016

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4672 - Proposed 2017 Renewable Energy Growth Program Tariff and Rule Changes**

Dear Ms. Massaro:

On behalf of National Grid,<sup>1</sup> I have enclosed the following documents for filing in the above-referenced docket:

1. Pre-filed Testimony of Ian Springsteel in support of National Grid's proposed 2017 RE Growth Program, and the modifications to the Renewable Energy (RE) Growth tariffs and rules necessary to implement the program changes that the Rhode Island legislature mandated as part of the recent amendments to the RE Growth Program, R.I. Gen. Laws Ch. 39-26.6, as set forth in Senate Bill 2016 – S 2450, An Act Relating to Public Utilities and Carriers – Renewable Energy (collectively, RE Growth Amendments). In addition, Mr. Springsteel's testimony describes certain other voluntary program changes, specifically the inclusion of a Zero Energy Building Rate Option and changes to the Company's SolarWise program.
2. Clean and redlined versions of the RE Growth Program Solicitation and Enrollment Process Rules for Small-Scale Solar Projects and the RE Growth Program Solicitation and Enrollment Process Rules for Solar (greater than 25kW), Wind, Hydro, and Anaerobic Digester Projects (collectively, Rules) (Schedule IS-1 and Schedule IS-2, respectively);
3. Clean and redlined versions of National Grid's proposed revisions to the Residential Tariff (RIPUC No. 2151-C) and Non-Residential Tariff (RIPUC No. 2152-C) for the Rhode Island Renewable Energy (RE) Growth Program (collectively, Tariffs) (Schedule IS-3 and Schedule IS-4, respectively); and
4. Clean and redlined versions of revisions to National Grid's SolarWise Customer Guide (Schedule IS-5).

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

Below is a summary of the key changes the Company has made to the SolarWise Customer Guide, Tariffs, and Rules.

### **SolarWise Customer Guide**

Based on the Company's experience with the first year of the SolarWise program, the Company is voluntarily proposing certain changes to the SolarWise Customer Guide in this filing to improve the operational flexibility of the SolarWise Program. Specifically, these changes include the following:

- A provision to delegate authority to the DG Board to review and approve potential changes in the savings tiers and the maximum facility sizing requirements during the 2017-2018 program year, if such changes are proposed by the Company.
- A provision that to be eligible for the SolarWise bonus Performance-Based Incentive payment, an applicant must have at least six months of usage history at the location that is the subject of the energy audit.

### **Tariffs**

In addition to minor clarifying edits in the Tariffs, the Company has made the following proposed revisions to the Tariffs:

- Included a provision for Community Remote Distributed Generation as mandated by the recently enacted RE Growth Amendments. Community Remote Distributed Generation will enable residential and non-residential customers to receive a specified Bill Credit (as defined in the Tariffs) on a per kWh basis from a renewable generator with a nameplate capacity greater than two hundred fifty kilowatts (250 kW) located elsewhere in the state, similar to if the solar was located at their home or business.
- Included provisions for Shared Solar as mandated by the recently enacted RE Growth Amendments. Such provisions will allow customers in multi-family, multi-business and campus/multi-building settings to more flexibly install and share the benefits from nearby solar PV facilities up to 250 kW DC in size. Bill Credits associated with Shared Solar Facilities (as defined in the Tariffs) can be shared with customers in the same customer class on the same or adjacent properties and public entities can share credits across an entire municipality.
- Added new definitions for Bill Credit, Bill Credit Recipient, Standard DG Project, Shared Solar Facility, and Community Remote Distributed Generation System, in addition to other clarifying definitions.
- Added language regarding the administration of Performance-Based Incentive payments for Standard DG Projects and Shared Solar, as defined in the Tariffs.

- Added a new provision for Performance-Based Incentive payments for Community Remote Distributed Generation Systems.
- Added language to the SolarWise provisions to provide that Applicants with a Shared Solar Facility may be eligible to receive SolarWise Bonus payments provided that the customer associated with the Shared Solar Facility has qualified for the SolarWise Bonus.
- Voluntary inclusion of a new optional rate provision for customers with Zero Energy Buildings that will allow those customers to participate in RE Growth with an on-site renewable generation system, but buy back their respective Renewable Energy Certificates (REC) from National Grid. This option will enable those customers to directly claim the use of the renewable energy as opposed to National Grid or another load serving entity exclusively claiming such renewable energy to meet the requirements of the Renewable Energy Standard. This option will help further the state policy goals in promoting Zero Energy Buildings.
- Updated Tariff Supplements to reflect the proposed technology classes, megawatt allocations, and both standard Performance-Based Incentives and ceiling prices, as proposed by the DG Board in its related filing.

## **Rules**

In addition to minor clarifying edits, the Company has made the following proposed revisions to the Rules:

- Added a description of Shared Solar and the application requirements.
- Added a description of Community Remote Distributed Generation and the ceiling price requirements.
- Added a description of the Zero Energy Building Rate.
- Added a provision that projects participating in Community Distributed Generation are ineligible to participate in the SolarWise Program. Projects participating in Shared Solar may participate in SolarWise provided that the customer location at which the Shared Solar Project is located has been approved for a SolarWise Bonus Tier based on savings achieved through the Company's energy efficiency program.
- Updated Schedules 1 through 3 to reflect the proposed technology classes, megawatt allocations, and both standard Performance-Based Incentives and ceiling prices, as proposed by the DG Board in its related filing.

Luly E. Massaro  
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Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Leo Wold, Esq.  
Jon Hagopian, Esq.  
Steve Scialabba, Division

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**Testimony of  
Tan Springsteel**

**THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC DOCKET NO. 4672  
RE GROWTH PROGRAM  
WITNESS: IAN SPRINGSTEEL**

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**PRE-FILED DIRECT TESTIMONY**

**OF**

**IAN SPRINGSTEEL**

**November 15, 2016**

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1 **I. Introduction and Qualifications of Ian Springsteel**

2 **Q. Please state your full name and business address.**

3 A. Ian Springsteel, 40 Sylvan Road, Waltham, Massachusetts 02451.

4

5 **Q. Mr. Springsteel, by whom are you employed and in what position?**

6 A. For the past six years, I have been employed by National Grid Service Company in its  
7 Regulation and Pricing department. My current role is Director of U.S. Retail Regulatory  
8 Strategy. I am responsible for clean energy policy and program development, including  
9 the oversight of the development and implementation of the Rhode Island Renewable  
10 Energy (RE) Growth Program. In this role, I have also worked on general regulatory  
11 policies regarding distributed generation in Rhode Island.

12

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

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

17

18 Prior to working at National Grid, I started and ran a clean energy consultancy for public  
19 and private clients called Green Edge Solutions for just over a year. Before that, for four  
20 years, I held the position of senior program manager at the Massachusetts Technology  
21 Collaborative, which managed the Massachusetts Renewable Energy Trust. In this role, I

1 managed a lending fund for early stage manufacturers, ran a renewable energy certificate  
2 sales program, and led the initial development of the Massachusetts Wind Blade  
3 Technology Center. Prior to that, and prior to attending the Kennedy School, I worked as  
4 a journalist, editor, and consultant, covering business and economics for a variety of trade  
5 and general interest publications for approximately 12 years.

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

9 A. Yes I have.

10  
11 **II. Purpose of Testimony**

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

13 A. The purpose of my testimony is to present the Company's proposed 2017 RE Growth  
14 Program filing and the modifications to the RE Growth tariffs and rules<sup>1</sup> necessary to  
15 implement the program changes that the Rhode Island legislature mandated as part of the  
16 recent amendments to the RE Growth Program, R.I. Gen. Laws Ch. 39-26.6, as set forth  
17 in Senate Bill 2016 – S 2450, An Act Relating to Public Utilities and Carriers –  
18 Renewable Energy (collectively, RE Growth Amendments), as well as certain other  
19 voluntary program changes.

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<sup>1</sup> Capitalized terms used herein but not otherwise defined shall have those meanings ascribed to such terms in the RE Growth tariffs.

1 Specifically, the Company is seeking the PUC's approval of the following documents:

- 2 1. Schedule IS-1 – Solicitation and Enrollment Process Rules for Small-Scale Solar  
3 Projects (Clean and Redlined);  
4  
5 2. Schedule IS-2 – Solicitation and Enrollment Process Rules for Solar (Greater  
6 Than 25kW), Wind, Hydro and Anaerobic Digester Projects (Clean and  
7 Redlined);  
8  
9 3. Schedule IS-3 – RIPUC No. 2151-C, Renewable Energy Growth Program for  
10 Residential Customers (Clean and Redlined); and  
11  
12 4. Schedule IS-4 – RIPUC No. 2152-C, Renewable Energy Growth Program for  
13 Non-Residential Customers (Clean and Redlined).  
14

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

16 A. Yes. In addition to the tariffs and rules indicated above, I am sponsoring Schedule IS-5  
17 (Clean and Redlined), which includes revisions to the SolarWise Customer Guide.  
18

19 **III. Overview of Changes**

20 **Q. Can you provide a brief overview of the changes that National Grid is presenting in  
21 the RE Growth Plan filing for 2017 program year?**

22 A. Yes. First, the Community Remote Distributed Generation (CRDG) as introduced by the  
23 RE Growth Amendments this year will enable residential and non-residential customers  
24 to receive a specified credit on a per kWh basis from a renewable generator with a  
25 nameplate capacity greater than two hundred fifty kilowatts (250 kW) located elsewhere  
26 in the state, similar to if the solar was located at their home or business. However, the  
27 Bill Credit for customers receiving Bill Credits from a CRDG generator does not include

1 the distribution component of the retail rate per the statute, and will, therefore, be lower  
2 than the Bill Credit provided to RE Growth customers with on-site generation.

3  
4 Second, the Shared Solar provisions, also introduced in the RE Growth Amendments,  
5 will allow customers in multi-family, multi-business and campus/multi-building settings  
6 to more flexibly install and share the benefits from nearby solar PV facilities up to 250  
7 kW DC in size. Bill Credits associated with Shared Solar facilities can be shared with  
8 customers in the same customer class on the same or adjacent properties and public  
9 entities can share credits across an entire municipality.

10 Other modifications include the following:

- 11
- 12 • Inclusion in the rules and tariffs of a new optional rate provision for customers with  
13 Zero Energy Buildings, to allow those customers to participate in RE Growth with an  
14 on-site renewable generation system, but buy back their respective Renewable Energy  
15 Certificates (REC) from National Grid to allow their direct claim to the use of the  
16 renewable energy. This will further the goals of Rhode Island in promoting Zero  
17 Energy Buildings,<sup>2</sup> and enable customers to participate in the RE Growth Program

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<sup>2</sup> A Zero Energy Building (ZEB) as defined by Rhode Island ZEB Taskforce is an energy-efficient building where, on a source energy basis, the actual annual delivered energy is less than or equal to the on-site renewable exported energy. The Task Force recommends allowing site-owned RECs to qualify for this definition.

1 with verified renewable energy that is not exclusively claimed by National Grid or  
2 any other load serving entity for the purpose of meeting the requirements of the  
3 Renewable Energy Standard.

- 4
- 5 • A provision in the SolarWise Customer Guide that would allow the Company to  
6 propose modifications to the required savings levels to qualify for the SolarWise  
7 Bonus Tiers during the 2017 program year, and potentially modify the maximum  
8 facility sizing requirements associated with the efficiency savings upon review and  
9 approval by the Distributed Generation (DG) Board. Based on anticipated changes to  
10 expected savings levels from various efficiency measures, plus the ongoing  
11 experience the Company is developing with implementing the SolarWise program,  
12 we anticipate that some changes may be useful, but it is too soon to recommend  
13 specific changes. The flexibility to change these parameters with DG Board review  
14 and approval will make for a more responsive program in 2017.

- 15
- 16 • A requirement in the SolarWise Customer Guide that customers have at least six  
17 months of usage history in order to qualify for the Bonus Tier to address the difficulty  
18 of estimating savings as a percentage of use with very little usage measured for a  
19 particular customer.
- 20

1 **Q. Which programmatic changes are required by the RE Growth Amendments, and**  
2 **which are discretionary in nature?**

3 A. The RE Growth Amendments mandate the specific provisions related to the CRDG and  
4 Shared Solar programs, including the rules governing the qualification of systems based  
5 on the capacity enrolled in by subscribers by the Bill Credit value that may be provided to  
6 Bill Credit Recipients, and the overall eligibility of all customers to participate in the  
7 program. However, the Company proposes a clarification that private properties that are  
8 separated by a public way will not be considered to be adjacent.

9  
10 The Company is voluntarily introducing the Zero Energy Building Rate option and the  
11 changes to the SolarWise program. The first is put forth in response to findings of the  
12 Rhode Island Zero Energy Task Force, which National Grid led and sponsored in  
13 partnership with the state. The second are put forward to improve the operational  
14 flexibility of the SolarWise program.

15

16 **Q. Has the DG Board reviewed these changes?**

17 A. Yes, as required by R.I. Gen. Laws § 39-26.6-5, which allows the DG Board an  
18 opportunity to review and comment, National Grid provided these changes to the DG  
19 Board in the form of red-lined tariffs and rules on September 30, 2016. The Company  
20 presented the changes it was proposing and the implementation plan for the programs  
21 created by the RE Growth Amendments to the DG Board prior to submitting the red-lined

1 documents to them, and then following the DG Board's receipt of the red-lined  
2 documents.

3

4 **Q. Has the Company sought additional stakeholder feedback on the new aspects of the**  
5 **program?**

6 A. Yes, it has. The Company presented its proposed implementation plan for the new  
7 programs at the DG Board meeting on September 19, 2016 and sought public feedback at  
8 that time. In addition, the Company presented information on the implementation details  
9 and rules associated with the Shared Solar and CRDG program changes at two  
10 stakeholder sessions that the Office of Energy Resources (OER) called and sponsored on  
11 September 12 and October 11, 2016. Initially, the Company sought certain threshold  
12 subscription requirements for the CRDG projects, such as a minimum amount of  
13 individual subscribers, prior to offering a Certificate of Eligibility to a project. However,  
14 based on the feedback received from stakeholders, the Company changed that  
15 requirement, and these projects will be able to enroll like non-CRDG projects. This  
16 should make it more feasible for projects to move forward, and should improve the  
17 customer experience with CRDG project developers.

18

19 **IV. Shared Solar Provisions**

20 **Q. Can you provide the PUC with a description of how the Shared Solar provision will**  
21 **operate, and who would apply for this provision?**

1 A. The Shared Solar provision allows a customer to install a solar array that is large enough  
2 to serve its needs and those of up to fifty (50) neighboring customers on the same or  
3 adjacent properties, and to allow those customers to receive Bill Credits from the single  
4 array as if it were installed on their own premise. Projects up to 250 kW DC in  
5 nameplate capacity are eligible to be Shared Solar facilities. Customers receiving Bill  
6 Credits must be of the same customer class, i.e. residential or commercial, but may be on  
7 different retail delivery service rate classes. The Company expects customers in multi-  
8 family, multi-tenant, business parks, campus and rural/agricultural business settings to  
9 apply for the Shared Solar provision. Currently, the RE Growth Program provisions only  
10 allow a solar array to be associated with one customer account at a single location. With  
11 the passing of the RE Growth Amendments, the Company believes the legislature  
12 intended to adjust the program to adapt to the high population density of many parts of  
13 Rhode Island, and to provide for flexibility in locations with multiple accounts and only  
14 one good location for solar.

15  
16 **Q. How do customers need to be located in proximity to one another to be eligible for**  
17 **Shared Solar?**

18 A. Customers must be located on the same or adjacent parcels of property to where the  
19 Shared Solar project is located, as recorded on the respective city/town tax assessor's  
20 map, in order to share credits. However, the Company proposes that if parcels are

1 separated by a public way, said parcels will not be considered adjacent unless the  
2 property on both sides of the public way are part of the same parcel.

3  
4 **Q. Do customers need to be in the same customer class to receive Bill Credits from a  
5 Shared Solar project?**

6 A. Yes, per the RE Growth Amendments, customers receiving Bill Credits from Shared  
7 Solar projects, i.e. Bill Credit Recipients, must be in the same customer class, residential  
8 or non-residential, but do not need to be in the same retail delivery service rate class.

9  
10 **Q. How will Shared Solar customers receive Performance-Based Incentive (PBI)  
11 payments and Bill Credits from these systems?**

12 A. Shared Solar projects will receive the same PBI as all other DG projects in the same  
13 Renewable Energy Class. The total monthly PBI payment will be the standard per-kWh  
14 PBI applicable to the DG project applied to the kWh produced by the DG project. The  
15 total PBI payment will be distributed between the Applicant and Bill Credit Recipients as  
16 a combination of Bill Credits and a cash payment.

17  
18 **Q. How will Bill Credits be calculated and applied to Bill Credit Recipient bills?**

19 A. The Company will divide the output of the Shared Solar facility according to each Bill  
20 Credit Recipient's percentage share of the generator output on the Customer  
21 Payment/Credit Transfer Form, as provided by the Applicant.

1           The Bill Credit Recipient will receive a bill each month based upon the Recipient's on-  
2           site use. Each Recipient will also receive a Bill Credit based upon each Bill Credit  
3           Recipient's share of the Shared Solar Project output to offset the Recipient's bill for on-  
4           site use. The monthly kWh allocation received by each Bill Credit Recipient will be  
5           equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the  
6           kWh output or the Bill Credit Recipient's on-site load for the applicable billing period.

7  
8           The Bill Credit will be calculated as the Bill Credit Recipient's allocated generated kWh  
9           multiplied by the sum of all retail delivery service and Standard Offer Service per-kWh  
10          charges applicable to the Bill Credit Recipient's retail delivery service rate class. Each  
11          Bill Credit Recipient will be responsible for paying any balance due on their individual  
12          electric bills.

13  
14   **Q.    How will the cash payment be determined?**

15   A.    The total PBI payment less the sum of the Bill Credits for all Bill Credit Recipients will  
16          be paid in the form a check (or by other agreed-upon means) to the recipient as identified  
17          on the Customer Payment/Credit Transfer form.

18  
19   **Q.    Will the application of Bill Credits be limited on an annual basis?**

20   A.    Yes. Each Bill Credit Recipient will continue to receive monthly generated kWh  
21          allocations so long as the cumulative annual allocation to each account is less than the

1 Bill Credit Recipient's Maximum Annual Limit defined as the Bill Credit Recipient's  
2 three-year average on-site use. For Bill Credit Recipients that have not established a  
3 three-year on-site usage history, the Maximum Annual Limit will be estimated initially.  
4 The Maximum Annual Limit may be requested to be reset once a total of three years of  
5 billing history are available.

6  
7 **Q. Initially, how will Shared Solar projects be approved for participation based on size  
8 and Bill Credit Recipients?**

9 A. The Applicant will be responsible for identifying all Bill Credit Recipients at the time  
10 that the application for the Shared Solar project is submitted. The Company will then  
11 sum the 3-year annual average historical or estimated usage for the Bill Credit Recipients  
12 to determine the maximum system size that the Applicant will be allowed to install. The  
13 total projected output of the proposed project must not exceed the combined annual  
14 average usage of the Bill Credit Recipients.

15  
16 **Q. What would happen if a participating customer account closed, or usage at existing  
17 accounts declined for some reason?**

18 A. As stated in the RE Growth Amendments and in the RE Growth tariffs, the total PBI  
19 payment, net of allocated Bill Credits, will be paid to the Applicant, or designated  
20 payment recipient, regardless of whether the initial Bill Credit Recipient accounts remain  
21 active, or whether usage declines. The Applicant will be able to specify new Bill Credit

1 Recipients, but it will be the Applicant's responsibility to update the Customer  
2 Payment/Credit Transfer form on not more than a quarterly basis if such changes are  
3 desired.

4  
5 **Q. Can Shared Solar facilities participate in the SolarWise Program?**

6 A. Yes, Shared Solar Applicants will be able to participate in the SolarWise program and  
7 qualify for a SolarWise bonus tariff level. The Applicant's service location is the  
8 premise that needs to qualify for SolarWise by reaching the specified levels of energy  
9 efficiency savings, based on its customer rate class and efficiency program participation,  
10 as described in the SolarWise Customer Guide. In addition, all of the Bill Credit  
11 Recipient premises must also have received an energy audit within the past three years  
12 from the appropriate National Grid program.

13  
14 **V. Community Remote Distributed Generation**

15 **Q. Can you provide the PUC with a description of how the CRDG provisions will**  
16 **operate, and who would apply for this provision?**

17 A. The CRDG program will allow customers to receive Bill Credits from a centrally located  
18 and developed distributed generation system with a nameplate capacity greater than two  
19 hundred fifty kilowatts (250 kW). Customers who cannot or choose not to develop and  
20 install a DG facility at their service location could, if offered by a DG developer or other  
21 Applicant participating in the program, enroll to receive Bill Credits from a remote

1 system. Typically, the Bill Credit Recipient would then pay the Applicant who owns the  
2 system some agreed to amount for those credits. However, as described below, any  
3 transaction of that sort does not involve the Company and is not governed by the terms  
4 and conditions of the Company's RE Growth Program rules or tariffs. Both non-  
5 residential and residential customers will be able to participate in this way in DG projects  
6 that are remote from their location.

7  
8 **Q. How will CRDG facilities enroll in the RE Growth program?**

9 A. DG projects eligible to participate in the CRDG program must be at least 250kW. The  
10 DG Board has approved and recommended to the PUC several classes of project  
11 technologies and sizes for the CRDG provision, each with a distinct ceiling price.  
12 Projects wishing to enroll in one of these classes will need to provide competitive bids  
13 during the two-week open enrollment periods as described in the Company's Greater than  
14 25 kW Solar and other Technologies Solicitation and Enrollment Rules document.

15  
16 **Q. How will the PBI levels be set for CRDG facilities enrolled in the RE Growth**  
17 **Program?**

18 A. Applicants that successfully compete for and receive a Certificate of Eligibility offer for a  
19 Community Remote Distributed Generation System will be paid once their DG project is  
20 operational at the PBI price that they bid in the solicitation.

21

1 **Q. Please describe the tariff provisions applicable to PBI payments for DG projects**  
2 **enrolled in the CRDG program.**

3 A. Applicants that receive a Certificate of Eligibility for a Community Remote Distributed  
4 Generation System will receive PBIs in the form of Bill Credits applicable to a minimum  
5 of three eligible Bill Credit Recipients and residual cash payments. No more than fifty  
6 percent (50%) of the kWh generated by the DG project may be allocated to a single Bill  
7 Credit Recipient and at least fifty percent (50%) of the kWh generated by the DG project  
8 must be allocated to multiple Bill Credit Recipients in an amount not to exceed that  
9 which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system.  
10 There is no limit to the number of Bill Credit Recipients that may receive Bill Credits  
11 from the DG project. However, the aggregate kWh transferred to Bill Credit Recipients  
12 during a 12-month period, may not exceed the aggregate three -year average on site use  
13 of the Bill Credit Recipients.

14  
15 **Q. What requirements will projects need to meet in order to enroll in and receive a**  
16 **Certificate of Eligibility for the CRDG program?**

17 A. Like other RE Growth projects that are required to compete for their participation in the  
18 RE Growth program, Applicants of CRDG projects will need to provide an Impact Study  
19 for Renewable Distributed Generation, or a valid (signed by Applicant and National  
20 Grid) Interconnection Service Agreement, a Project Segmentation and Tax Credit  
21 Eligibility Affidavit, a completed short form application on the National Grid enrollment

1 website, and assessor's maps, all during the two week open enrollment windows that  
2 occur three times per year. When an Applicant wins in a solicitation, the Applicant will  
3 then need to provide a Performance Guarantee Deposit like other projects in the program,  
4 per the solicitation rules.

5  
6 **Q. What requirements will projects need to meet in order to achieve commercial**  
7 **operation as a CRDG facility?**

8 A. As required in the RE Growth Amendments, prior to receiving approval to operate  
9 commercially, CRDG projects must 1) meet the standard interconnection requirements,  
10 and 2) must demonstrate that at least three Bill Credit Recipients have been enrolled, with  
11 at least 50% of the DG project output designated for customers that each receive less than  
12 the output of 25 kW AC of the facility annually, and no more than 50% of the output  
13 designated for one customer. These enrollment requirements will be shown on the  
14 Customer Payment/Credit Transfer Form for Shared Solar and Community Remote  
15 Distributed Generation Projects, that the Company will make available as part of the  
16 application materials in the new program year.

17  
18 **Q. Will customers receiving Bill Credits be guaranteed of financial or other benefits**  
19 **from participating with DG projects in this way through the CRDG program?**

20 A. No. Whether a customer will receive a financial benefit from receiving credits will  
21 depend entirely on what the customer agrees to pay the Applicant for such credits, which

1 is typically specified in a credit purchase agreement or credit allocation agreement  
2 between the Applicant and the credit recipients. The Company will not be involved in  
3 reviewing, approving or providing advice on such agreements. Other potential benefits  
4 resulting from participation, such as environmental benefits, energy benefits, and local  
5 economic benefits, would likely accrue to customers whether they participated in a  
6 CRDG project or not, if the DG project was otherwise being supported by the RE Growth  
7 program.

8  
9 **Q. Can you further explain the requirement that nor more than 50% of the DG project**  
10 **output be designated for a single Bill Credit Recipient and at least 50% of the**  
11 **output must be designated for Bill Credit Recipients in an amount not to exceed the**  
12 **output of 25 kW AC annually?**

13 A. Yes, in order to receive permission to operate and be paid under the RE Growth tariff, the  
14 Applicant must enroll at least 50% of the output of the DG facility with customers in an  
15 amount not to exceed that produced by the technology in question from a 25 kW AC  
16 rated system per year. Each facility will need to provide this amount on their application  
17 form based on the net capacity factor expected for that DG facility. In addition, not more  
18 than 50% of the output of the system as a whole can be allocated to a single Bill Credit  
19 Recipient. The Company understands these provisions are meant to limit the  
20 concentration of the participation benefits, and ensure that small customers, residential or  
21 non-residential, are included in the recipients of any system.

1 **Q. How will the Company review projects for this requirement upon application, and**  
2 **will there be any threshold requirement to receive an offer of a Certificate of**  
3 **Eligibility under the program?**

4 A. Projects will not be required to provide information regarding Bill Credit Recipients upon  
5 applying for participation in the RE Growth tariff, but may do so if it is available. The  
6 participation requirements must be met, however, before the system is allowed to  
7 commercially operate, and, thus, be paid under the tariff.

8  
9 **Q. Do Bill Credit Recipients need to be located in proximity to one another to be**  
10 **eligible to receive Bill Credits from a CRDG facility?**

11 A. No. Customers who wish to receive Bill Credits from a CRDG facility may be located  
12 anywhere in Rhode Island as long as they are electric service customers of National Grid.

13  
14 **Q. Do customers need to be in the same customer or rate class as one another,**  
15 **residential or commercial?**

16 A. No. Customers receiving Bill Credits from CRDG facilities may be receiving service in  
17 any of the Company's retail delivery service rate classes.

18  
19 **Q. How will CRDG system Applicants receive PBI payments from these systems?**

20 A. Applicants that have received a COE for a CRDG project and successfully bring the  
21 project to commercial operation will receive PBI payments in the form of Bill Credits and

1 residual cash payments. The total PBI value each month will be the fixed per-kWh PBI  
2 indicated on the Applicant's Certificate of Eligibility applied to the kWh produced by the  
3 DG project. That total PBI value will be reduced by the sum of the Bill Credits allocated  
4 to participating Bill Credit Recipients, and Bill Credit amounts for any generation amount  
5 that is not allocated to a Bill Credit Recipient (referred to herein as Unallocated Bill  
6 Credits). After all Bill Credits and Unallocated Bill Credits are deducted from the total  
7 PBI amount, the net PBI payment will be distributed to the Applicant or other designated  
8 recipient in the form of a cash payment.

9  
10 **Q. How will the Company determine monthly Bill Credits applicable to the Bill Credit**  
11 **Recipients?**

12 A. Prior to commercial operation of the DG project, Applicants will be responsible for  
13 designating Bill Credit Recipient billing accounts and other required information on the  
14 Customer Payment/Credit Transfer Form.

15  
16 Bill Credit Recipients will receive an allocation of generated kWh each month for  
17 purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient  
18 account. On a monthly basis, and in the aggregate, generated kWh may be allocated to  
19 Bill Credit Recipients up to the amount of available generated kWh. Generated kWh  
20 available to allocate during a month is equal to the current month's generated kWh plus  
21 any generated kWh not allocated during prior months. Allocation of generated kWh to

1 Bill Credit Recipient accounts in any billing month will not exceed each individual Bill  
2 Credit Recipient's on-site use during that month. If available aggregate generated kWh is  
3 greater than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill  
4 Credit Recipients will receive a kWh allocation equal to their monthly use, subject to the  
5 Bill Credit Recipient's annual maximum limit. If available aggregate generated kWh is  
6 less than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill  
7 Credit Recipients will receive a kWh allocation equal to their designated percentage share  
8 of generator output, subject to the Bill Credit Recipient's annual maximum limit.

9  
10 **Q. How will Bill Credit Recipients receive Bill Credits and how will the Bill Credit**  
11 **appear on their bill?**

12 A. The Bill Credit Recipient will receive a bill each month based upon the Recipient's on-  
13 site use. Each Bill Credit Recipient will also receive a Bill Credit based upon each Bill  
14 Credit Recipient's allocation of kWh to offset the Recipient's bill for on-site use. The Bill  
15 Credit will appear on the Bill Credit Recipient's bill separate from the charges for on-site  
16 use. The Bill Credit will be calculated as the allocated kWh multiplied by the bill credit  
17 rate.

18  
19 **Q. What is the Bill Credit rate and how will it be determined?**

20 A. As required by the RE Growth Amendments, the Bill Credit rate is a per kWh rate used to  
21 calculate each Bill Credit Recipient's monthly Bill Credit and may be either a fixed per

1 kWh rate determined by the Applicant or the Default Bill Credit Rate. The term “Default  
2 Bill Credit Rate” means the sum of the Standard Offer Service Rate, the Standard Offer  
3 Service Adjustment Factor, the Standard Offer Service Administrative Cost Adjustment  
4 Factor, the Transmission Service Cost Adjustment Factor, and the Non-bypassable  
5 Transition Service Charge, applicable to the Bill Credit Recipient’s rate schedule in effect  
6 at the time of the application of the monthly Bill Credit to the Bill Credit Recipient’s  
7 account. If the Applicant chooses a fixed Bill Credit Rate, the fixed Bill Credit Rate must  
8 be equal to or less than the Default Bill Credit Rate in effect at the time that the Bill  
9 Credit Recipient’s account information is submitted by the Applicant on the Customer  
10 Payment/Credit Transfer Form. The selection of the fixed or Default Bill Credit Rate  
11 applicable to each Bill Credit Recipient may not be changed once the initial selection is  
12 made.

13  
14 **Q. What will happen during a month where there is more generation than use by Bill**  
15 **Credit Recipients?**

16 A. KWhs that are “unallocated” because there is more generation than Bill Credit Recipient  
17 on-site use during a billing period will be accumulated month-to-month and will be used  
18 to increase or decrease the available generated kWh for the subsequent month within the  
19 program year. The unallocated kWh that exist during any bill period will be recorded on  
20 the Applicant’s account, and can be allocated at a future time to recipients. These credits,

1 as explained above, will reduce the total PBI amount by the product of the unallocated  
2 credits and the Default Credit Rate.

3

4 **Q. What will happen to any unallocated kWh at the end of a program year?**

5 A. Any unallocated generated kWh remaining at the end of the Program Year will be valued  
6 at the average ISO-NE Locational Marginal Pricing rate that was realized by the  
7 settlement of the output with ISO-NE over the course of the year and will be paid to the  
8 designated payment recipient in a lump sum.

9

10 **Q. How will the Company know when to stop transferring Bill Credits to a Bill Credit**  
11 **Recipient?**

12 A. Bill Credit Recipients will receive monthly kWh allocations and Bill Credits as long as  
13 the cumulative annual allocation is less than the Bill Credit Recipient's maximum annual  
14 allocation limit. Each Bill Credit Recipient's maximum annual allocation limit will be  
15 that Bill Credit Recipient's three-year annual average on-site use. For Bill Credit  
16 Recipient accounts that have not established a three-year on-site usage history, the  
17 maximum annual allocation limit will be estimated initially. Bill Credit Recipients may  
18 request that the Company reset their three-year annual average when three years of  
19 billing history becomes available.

20

1           In addition, Applicants will be able to provide the Company with an end date for transfers  
2           of Bill Credits to Bill Credit Recipients, and will be able to make changes to the enrolled  
3           list of Bill Credit Recipients for each CRDG facility once each quarter.

4  
5   **Q.    What would happen if a participating customer account closed, or usage at existing**  
6           **account declined for some reason?**

7   A.    It will be the Applicant's responsibility to ensure that there is an optimal number of Bill  
8           Credit Recipients for the DG project. Each Applicant will be allowed to update the  
9           Customer Payment/Credit Transfer form on a quarterly basis. Therefore, Applicants will  
10          be able to manage their enrolled Bill Credit Recipients in a timely manner to address  
11          circumstances such as replacing Bill Credit Recipients that have terminated service or  
12          have increased or decreased on-site use significantly. The Applicant must provide the  
13          Company with the revised Customer Payment/Credit Transfer Form at least 15 days prior  
14          to the next billing date to be reflected in the next billing period.

15  
16        The Company does not propose to monitor the Bill Credit Recipients associated with  
17        each CRDG project to ensure that the Applicant is meeting the requirements to  
18        commercially operate. Because there could be a large number of Bill Credit Recipients  
19        associated with each CRDG project, ongoing review by the Company would be  
20        administratively burdensome. Because unallocated Bill Credits would be valued at the

1 wholesale rate at the end of each program year, Applicants will have a financial  
2 motivation to keep their projects as fully enrolled as possible.

3  
4 **Q. Can CRDG facilities participate in the SolarWise Program?**

5 A. No. Because there is no customer premises with on-site load associated with the  
6 Applicant's CRDG system, there is no load that can be reduced through efficiency  
7 measures, and any such requirement at Bill Credit Recipient service locations would  
8 present administrative hurdles that would be a burden to the Company.

9  
10 **VI. Zero Energy Building Rate Option**

11 **Q. What is the Zero Energy Building (ZEB) Rate Option, and why is it needed?**

12 A. The ZEB Rate Option was developed to allow Applicants with on-site DG facilities  
13 enrolled in RE Growth to buy back from the Company the RECs associated with the  
14 generation of their project as a voluntary way of using renewable energy at their location  
15 with full legal rights to the renewable attributes. As the Rhode Island Zero Energy  
16 Building Task Force report recommends, Applicants who are seeking to establish a  
17 building as a Zero Energy Building should demonstrate that they are using the renewable  
18 energy generated by a DG facility. As RECs represent the legal title to the environmental  
19 attributes of renewable electrical generation, customers are best able to show their use of  
20 renewable energy by owning the attributes. As National Grid buys all attributes from  
21 participating projects in the RE Growth program as a matter of law, this Rate Option will

1 allow those attributes to be bought back by the Applicant for the generation associated  
2 with an on-site DG facility. For all RECs that are repurchased in this way, the Company  
3 will set those RECs aside at the end of the program year to be retired in the NEPOOL-  
4 Generation Information System (GIS) in a voluntary, non-compliance account. Thus, the  
5 Company will not claim for use in the Renewable Energy Standard, nor will all other  
6 customers pay for, those RECs claimed by the ZEB Rate Option participant.

7  
8 **Q. At what value will customers be able to repurchase their RECs from National Grid?**

9 A. The purchase price for RECs under the ZEB Rate Option will be the Average  
10 Compliance Year New Renewable Energy Resource REC Cost, converted into a kWh  
11 value, which is the value that represents the Company's estimate of the market value  
12 associated with RECs as determined in the Company's Renewable Energy Standard  
13 Charge and Reconciliation filing submitted each year. This value will change each year  
14 with that filing.

15  
16 **Q. How will this Rate Option affect an Applicant's total PBI value?**

17 A. If the Applicant chooses the ZEB Rate Option, the Applicant's PBI will be reduced by  
18 the Average Compliance Year New Renewable Energy Resource REC Cost as a kWh  
19 value prior to calculating the monthly total PBI payment.

20

1 **Q. How will enrolling in this option affect the Bill Credit value that the Bill Credit**  
2 **Recipient receives?**

3 A. The calculation of the Bill Credit Recipient's monthly Bill Credit will not be affected by  
4 choosing this option, however, since the total PBI payment will be lower, as described  
5 above. The residual cash payment calculated as the total PBI payment, less the sum of the  
6 Bill Credit Recipients' Bill Credits, will be less.

7

8 **VII. SolarWise Program**

9 **Q. Are you proposing any changes to the SolarWise program at this time?**

10 A. Yes, the Company is proposing two changes to the SolarWise program. First, the  
11 Company proposes to allow the DG Board to review and approve changes in the savings  
12 tiers and the maximum facility sizing requirements during the 2017-2018 program year,  
13 if such changes are proposed by the Company. Second, the Company is providing a  
14 clarification that to be eligible for the SolarWise bonus PBIs, the Applicants must have at  
15 least six months of usage history at the location that is the subject of the energy audit.  
16 Estimating the 12-month usage of customers with less than six months of history has not  
17 been practical, and the Company is informing customers of this limitation in the  
18 SolarWise Customer Guide.

19

1 **Q. Why is the Company asking that authority be delegated to the DG Board for**  
2 **potential changes to the savings tiers and sizing requirements that are currently**  
3 **established in the SolarWise program?**

4 A. Based on anticipated changes in the savings levels expected from individual efficiency  
5 measures due to updated energy efficiency program evaluation results, achievable  
6 savings levels that are considered to be stretch amounts may change, which may affect  
7 the ability of customers to successfully qualify for SolarWise bonus PBIs at the current  
8 levels. In addition, based on some limited initial feedback, the Company will be looking  
9 at whether the sizing requirements in the program are a deterrent to Applicants or  
10 installers. After further analysis, the Company may determine that modification of the  
11 maximum facility sizing requirement would make participation easier to manage and  
12 more attractive to customers. The Company will not make any modifications until after  
13 the end of the current program year, i.e. after April 1, 2017, but would not want to wait  
14 until the following program year to make such changes. In order to ease the  
15 administration of such changes, the Company is proposing, and the DG Board supports,  
16 delegating such detailed programmatic adjustments to a review and approval process by  
17 the DG Board. Any such changes would be then updated in the SolarWise Customer  
18 Guide and submitted to the PUC as a compliance filing.

19

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

21 A. Yes, it does.



**THE NARRAGANSETT ELECTRIC COMPANY  
D/B/A NATIONAL GRID  
RIPUC DOCKET NO. 6894  
2017 RE GROWTH PROGRAM  
WITNESS: IAN SPRINGSTEEL**

## **Schedule IS-1**

# **Solicitation and Enrollment Process Rules for Small-Scale Solar Projects**



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

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

***Effective Date: April 1, 2017***

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## I. Introduction and Overview

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

Residential customers or their developers may apply for the RE Growth Program on a first-come, first-served basis. These solar systems will earn "Bill Credits" for the customer from the energy produced, and an incentive payment for any excess production.

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

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

### 1.1 Purpose of the Solicitation and Enrollment

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

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

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

### 1.2 Enrollment Framework

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

Growth Program is subject to the approval of the Rhode Island Public Utilities Commission (Commission). National Grid may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts (MW) to be enrolled for the year (annual MW target), which will be based on the projects' aggregate nameplate capacity. The nameplate capacity of a solar project is the total rated power output of all solar panels measured in DC. A "program year" means a year beginning April 1 and ending March 31, except that the first program year may begin after April 1, 2015, subject to Commission approval.

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

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

### **1.2.1 Applications**

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

To be eligible to receive approval for the current program year's tariff rates and capacity allocations, Small-Scale Solar Applicants must submit and the Company must receive all required forms and documentation, as listed on the RE Growth application checklist, and all must be filled out and signed with no deficiencies of information, by 4 p.m. Eastern Prevailing Time on March 31, 2017. Any application which is found to be missing required forms or information that is supplied after that time and date will be considered for participation in the following program year at that year's tariff rates and class allocations.

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

## 1.2.2 Eligibility Requirements

### 1.2.2.1 Introduction

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

### 1.2.2.2 Eligible Applicant

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

### 1.2.2.3 Eligible Facilities

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

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

#### Residential

To be eligible as a Residential Small-Scale Solar Project, a project must be located at a National Grid customer's residence where the residential customer receives electric service under either Basic Residential Rate A-16 or Low Income Rate A-60. The project must meet the sizing requirements as defined in the Residential RE Growth Tariff.

#### Non-Residential

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

### 1.2.2.3.1 Prohibition on Project Segmentation

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

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

A distributed generation project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the distributed generation project and the start of construction of new distributed generation unit(s) on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resources. In addition, DG projects installed on contiguous parcels or a single parcel will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2 as described in Section 8.c. of the Non-Residential RE Growth Tariff.

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

In accordance with the Tariffs, Non-Residential Applicants for Small-Scale Solar Projects that have on-site load may receive a credit on their electric bill based upon the value of the on-site use, provided that the DG Project meets the sizing requirements as defined in the Non-Residential RE Growth Tariff. All Residential customers will receive Bill Credits and must meet the sizing limitations defined in the Residential RE Growth Tariff. The Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Residential Customer's On-Site Use as measured over the previous three (3) years at the electric service account located at the Residential Customer's service location; 2) the annualized On-Site Use over the period of service to the Residential Customer's service location if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the Project is located at a new service location.

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

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

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

### Residential

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

### Non-Residential

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

#### **2.1.1 SolarWise Program for Small-Scale Projects**

The SolarWise Program combines savings that result from Energy Efficiency (EE) measures with additional incentives paid from the RE Growth Program for pursuing solar installations. Small-scale solar projects that commit to or install energy efficiency savings measures from the SolarWise Program can qualify for SolarWise Bonus Payments within the Renewable Energy Growth Program.

Projects participating in Shared Solar may participate in SolarWise provided that the Customer location where the Shared Solar Project is located has been approved for a SolarWise Bonus Tier based on savings achieved through the Company's energy efficiency program. The Bonus Tier will be determined by the energy savings estimate achieved by the Customer, but all recipient accounts of a Shared Solar Project must have participated in the Company's energy efficiency programs through an energy efficiency audit.

Applicants wishing to obtain the SolarWise Bonus Payment must show that they have achieved, or are committed to achieve through EE measures, the required program savings levels. An Applicant must submit an application form and required documentation to the SolarWise Program. Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments, provided their project is selected in the RE Growth Program per Section 2.3 below. The PBI payments will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility. See Schedule 3 for the PBIs applicable to projects approved as part of the SolarWise Program. Please refer to the SolarWise Customer Guide as well as Section 6.d. of the Tariff for more information on the SolarWise Program.

## 2.2 Interconnection Application Prior to Enrollment

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

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

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_interconnection-process.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_interconnection-process.asp)

### 2.2.1 Site Control

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

## 2.3 Issuance of Certificates of Eligibility

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

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

## 2.4 Project Schedule

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

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

## 2.5 Ownership of Products for Small-Scale Solar

### Residential

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

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

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

### Non-Residential

The Company shall have the rights and receive title to:

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

### Zero Energy Building Rate

To support customers' zero energy building goals, National Grid offers an Applicant with a Small-Scale Solar Project the option to buy back from the Company the RECs generated by the Project under the Zero Energy Building (ZEB) Rate. Such Applicants will have their PBI payments reduced by the Company's Average Compliance Year New Renewable Energy Resource REC Cost in effect at the time of the PBI payment, as noted in the Company's Renewable Energy Standard Charge and Reconciliation filing with the Commission, converted into a per kWh value. The Company will retire the RECs purchased by Applicants on their behalf at the end of the Renewable Energy Standard compliance year. Customers choosing this option must do so on their application. If offered a Certificate of Eligibility, such customers must continue to purchase

the RECs generated by their Project for the term of their Certificate of Eligibility. Shared Solar projects wishing to participate in this rate option must enroll 100% of the Project's output in the ZEB Rate to do so.

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

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

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

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

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

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

### **2.5.4 Qualification of RECs**

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

## **2.6 Shared Solar**

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

To be eligible to participate in the Shared Solar program, at the time of enrollment, each account listed as a recipient must be in good standing on applicable electric service, payment plans or agreements, and other obligations to the Company, including but not limited to meeting all obligations under an Interconnection Service Agreement. Shared Solar Projects can

only share Bill Credits with Bill Credit Recipients on the same or adjacent parcel of land as the DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

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

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

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

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

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

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

### III. Contact Information and Other Provisions

#### 3.1 Contact Information

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

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

#### 3.2 Official Website for the Enrollment

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island RE Growth Program website:

[ngrid.com/REGrowth](http://ngrid.com/REGrowth)

Interconnection Applications must be submitted to [distributed.generation@nationalgrid.com](mailto:distributed.generation@nationalgrid.com). Information about the interconnection process can be found on the Interconnection Process website:

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_interconnection-process.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_interconnection-process.asp)

#### 3.3 Confidentiality

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

#### 3.4 Modification or Cancellation of an Enrollment

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

**Schedule 1**

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

Renewable Energy Class	Annual Enrollment Target (Nameplate MW)
Small-Scale Solar I – Host Owned (15 Year Tariff)	6.55 MW DC
Small-Scale Solar I – Host Owned (20 Year Tariff)	
Small-Scale Solar I – Third Party Owned (15 Year Tariff)	
Small-Scale Solar I – Third Party Owned (20 Year Tariff)	
Small-Scale Solar II	

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

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**Schedule 2**

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

Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Small-Scale Solar I – Host Owned (1-10 kW)	34.75	15 Year Tariff
Small-Scale Solar I – Host Owned (1-10 kW)	30.85	20 Year Tariff
Small-Scale Solar I – Third Party Owned (1-10 kW)	27.05	15 Year Tariff
Small-Scale Solar I – Third Party Owned (1-10 kW)	24.05	20 Year Tariff
Small-Scale Solar II (11-25 kW)	27.75	20 Year Tariff

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

**Schedule 3**

**Renewable Energy Growth Program PBIs Inclusive of SolarWise Bonus**

<b>SolarWise Tier One: 5% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
Small-Scale Solar I – Host Owned (1-10 kW)	36.49 (15 Year Tariff)
Small-Scale Solar I – Host Owned (1-10 kW)	32.39 (20 Year Tariff)
Small-Scale Solar II (11-25 kW)	29.14 (20 Year Tariff)

<b>SolarWise Tier Two: 10% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
Small-Scale Solar I – Host Owned (1-10 kW)	38.23 (15 Year Tariff)
Small-Scale Solar I – Host Owned (1-10 kW)	33.94 (20 Year Tariff)
Small-Scale Solar II (11-25 kW)	30.53 (20 Year Tariff)

<b>SolarWise Tier One – Small-Scale Solar Third Party Owned: 2% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
Small-Scale Solar I – Third Party Owned (1-10 kW)	27.59 (15 Year Tariff)
Small-Scale Solar I – Third Party Owned (1-10 kW)	24.53 (20 Year Tariff)
Small-Scale Solar II (11-25 kW)	28.31 (20 Year Tariff)

<b>SolarWise Tier Two – Small-Scale Solar Third Party Owned: 4% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
Small-Scale Solar I – Third Party Owned (1-10 kW)	28.13 (15 Year Tariff)
Small-Scale Solar I – Third Party Owned (1-10 kW)	25.01 (20 Year Tariff)
Small-Scale Solar II (11-25 kW)	28.86 (20 Year Tariff)



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

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

*Effective Date: April 1, ~~2016~~2017*

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## I. Introduction and Overview

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

Residential customers or their developers may apply for the RE Growth Program on a first-come, first-served basis. These solar systems will earn “~~bill-Bill credits~~Credits” for the customer from the energy produced, and an incentive payment for any excess production.

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

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

### 1.1 Purpose of the Solicitation and Enrollment

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

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

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

### 1.2 Enrollment Framework

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

Growth Program is subject to the approval of the Rhode Island Public Utilities Commission (Commission). National Grid may also consult with the Rhode Island Division of Public Utilities and Carriers (Division).

For each program year, there will be a target amount of megawatts (MW) to be enrolled for the year (annual MW target), which will be based on the projects' aggregate nameplate capacity. The nameplate capacity of a solar project is the total rated power output of all solar panels measured in DC. A "program year" means a year beginning April 1 and ending March 31, except that the first program year may begin after April 1, 2015, subject to Commission approval.

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

For each program year, the Board will recommend the Standard Performance-Based Incentive (PBI) for each renewable energy class, subject to Commission approval. Small-scale solar projects will receive a Standard PBI under the tariff, further described in Section 2.1. See Schedule [1-2](#) for the approved Standard PBIs for the current program year.

### **1.2.1 Applications**

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

To be eligible to receive approval for the current program year's tariff rates and capacity allocations, Small-Scale Solar Applicants must submit and the Company must receive all required forms and documentation, as listed on the RE Growth application checklist, and all must be filled out and signed with no deficiencies of information, by 4 p.m. Eastern Prevailing Time on March 31, 2017. Any application which is found to be missing required forms or information that is supplied after that time and date will be considered for participation in the following program year at that year's tariff rates and class allocations.

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

## 1.2.2 Eligibility Requirements

### 1.2.2.1 Introduction

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

### 1.2.2.2 Eligible Applicant

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

### 1.2.2.3 Eligible Facilities

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

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

#### Residential

To be eligible as a Residential Small-Scale Solar Project, a project must be located at a National Grid customer's residence where the residential customer receives electric service under either Basic Residential Rate A-16 or Low Income Rate A-60. The project must meet the sizing requirements as defined in the Residential RE Growth Tariff.

#### Non-Residential

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

### 1.2.2.3.1 Prohibition on Project Segmentation

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

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

A distributed generation project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the distributed generation project and the start of construction of new distributed generation unit(s) on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resources. In addition, DG projects installed on contiguous parcels or a single parcel will not be considered segmented if they serve different customers and both customers opt to receive ~~bill~~ [Bill credits](#) ~~Credits~~ under Option 2 as described in Section 8.c. of the Non-Residential RE Growth Tariff.

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

In accordance with the Tariffs, Non-Residential Applicants for Small-Scale Solar Projects that have on-site load may receive a credit on their electric bill based upon the value of the on-site use, provided that the DG Project meets the sizing requirements as defined in the Non-Residential RE Growth Tariff. All Residential customers will receive ~~bill~~ [Bill credits](#) ~~Credits~~ and must meet the sizing limitations defined in the Residential RE Growth Tariff. The Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Residential Customer's On-Site Use as measured over the previous three (3) years at the electric service account located at the Residential Customer's service location; 2) the annualized On-Site Use over the period of service to the Residential Customer's service location if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the Project is located at a new service location.

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

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

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

### Residential

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

### Non-Residential

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

#### **2.1.1 SolarWise Program for Small-Scale Projects**

The SolarWise Program combines savings that result from Energy Efficiency (EE) measures with additional incentives paid from the RE Growth Program for pursuing solar installations. Small-scale solar projects that commit to or install energy efficiency savings measures from the SolarWise Program can qualify for SolarWise Bonus Payments within the Renewable Energy Growth Program.

[Projects participating in Shared Solar may participate in SolarWise provided that the Customer location where the Shared Solar Project is located has been approved for a SolarWise Bonus Tier based on savings achieved through the Company's energy efficiency program. The Bonus Tier will be determined by the energy savings estimate achieved by the Customer, but all recipient accounts of a Shared Solar Project must have participated in the Company's energy efficiency programs through an energy efficiency audit.](#)

Applicants wishing to obtain the SolarWise Bonus Payment must show that they have achieved, or are committed to achieve through EE measures, the required program savings levels. An Applicant must submit an application form and required documentation to the SolarWise Program. Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments, provided their project is selected in the RE Growth Program per Section 2.3 below. The PBI payments will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility. See Schedule [2-3](#) for the PBIs applicable to projects approved as part of the SolarWise Program. Please refer to the SolarWise Customer Guide as well as Section 6.d. of the Tariff for more information on the SolarWise Program.

## 2.2 Interconnection Application Prior to Enrollment

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

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

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_interconnection-process.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_interconnection-process.asp)

### 2.2.1 Site Control

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

## 2.3 Issuance of Certificates of Eligibility

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

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

## 2.4 Project Schedule

All Small-Scale Solar Projects have twenty-four (24) months to meet all other requirements pursuant to Section 6.a. of the Tariff in order to receive compensation under the RE Growth

Program. A project's proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

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

## 2.5 Ownership of Products for Small-Scale Solar

### Residential

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

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

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

### Non-Residential

The Company shall have the rights and receive title to:

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

### Zero Energy Building Rate

[To support customers' zero energy building goals, National Grid offers an Applicant with a Small-Scale Solar Project the option to buy back from the Company the RECs generated by the Project under the Zero Energy Building \(ZEB\) Rate. Such Applicants will have their PBI payments](#)

reduced by the Company's Average Compliance Year New Renewable Energy Resource REC Cost in effect at the time of the PBI payment, as noted in the Company's Renewable Energy Standard Charge and Reconciliation filing with the Commission, converted into a per kWh value. The Company will retire the RECs purchased by Applicants on their behalf at the end of the Renewable Energy Standard compliance year. Customers choosing this option must do so on their application. If offered a Certificate of Eligibility, such customers must continue to purchase the RECs generated by their Project for the term of their Certificate of Eligibility. Shared Solar projects wishing to participate in this rate option must enroll 100% of the Project's output in the ZEB Rate to do so.

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

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

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

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

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

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

### **2.5.4 Qualification of RECs**

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

## **2.6 Shared Solar**

Shared Solar enables customers who own or rent properties unsuitable for installing solar, or where a single system is preferred, to participate in the RE Growth Program with Small-Scale

Solar Projects and Medium-Scale Solar Projects (1-25 kW DC and 26-250 kW DC nameplate capacity, respectively).

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

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

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

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

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

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

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

### III. Contact Information and Other Provisions

#### 3.1 Contact Information

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

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

#### 3.2 Official Website for the Enrollment

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island RE Growth Program website:

[ngrid.com/REGrowth](http://ngrid.com/REGrowth)

Interconnection Applications must be submitted to [distributed.generation@nationalgrid.com](mailto:distributed.generation@nationalgrid.com). Information about the interconnection process can be found on the Interconnection Process website:

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_interconnection-process.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_interconnection-process.asp)

#### 3.3 Confidentiality

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

#### 3.4 Modification or Cancellation of an Enrollment

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

(Section 2.3 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel an enrollment; alter, extend, or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

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Schedule 1

**Approved Small-Scale Solar Annual MW Target and Standard PBI Applicable to Current Enrollment Year**

Renewable Energy Class (Nameplate kW)	Annual Enrollment Target (Nameplate MW)	Ceiling Price/Standard PBI (cents/kWh)
Small-Scale Solar – Host Owned (1-10 kW DC)	5.5	37.65 (15-yr Tariff)
Small-Scale Solar – Host Owned (1-10 kW DC)		33.45 (20-yr Tariff)
Small-Scale Solar – 3rd-Party Owner (1-10 kW DC)		28.35 (15-yr Tariff)
Small-Scale Solar – 3rd-Party Owner (1-10 kW DC)		24.70 (20-yr Tariff)
Small-Scale Solar (11-25 kW DC)		24.90 (20-yr Tariff)

<u>Technology/Classes Renewable Energy Class</u>	<u>Megawatt Allocation Annual Enrollment Target (Nameplate MW)</u>
<u>Small-Scale Solar I – Host Owned (15 Year Tariff)</u>	<u>6.55 MW DC</u>
<u>Small-Scale Solar I – Host Owned (20 Year Tariff)</u>	
<u>Small-Scale Solar I – Third Party Owned (15 Year Tariff)</u>	
<u>Small-Scale Solar I – Third Party Owned (20 Year Tariff)</u>	
<u>Small-Scale Solar II (11-25)</u>	

**Note:**

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

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

Schedule 2

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

<u>Renewable Energy Class (Nameplate kW)</u>	<u>Ceiling Price/Standard PBI (Inclusive of assumed eligible federal incentives) (cents/kWh)</u>	<u>Term of Service (years)</u>
<u>Small-Scale Solar I – Host Owned (1-10 kW)</u>	<u>34.75</u>	<u>15 Year Tariff</u>
<u>Small-Scale Solar I – Host Owned (1-10 kW)</u>	<u>30.85</u>	<u>20 Year Tariff</u>
<u>Small-Scale Solar I – Third Party Owned (1-10 kW)</u>	<u>27.05</u>	<u>15 Year Tariff</u>
<u>Small-Scale Solar I – Third Party Owned (1-10 kW)</u>	<u>24.05</u>	<u>20 Year Tariff</u>
<u>Small-Scale Solar II</u>	<u>27.75</u>	<u>20 Year Tariff</u>

<a href="#">(11-25 kW)</a>		
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Note: The Standard PBI is equivalent to the Ceiling Price that is recommended by the Board and approved by the Commission.

**Schedule 23**

**Renewable Energy Growth Program PBIs Inclusive of SolarWise Bonus**

<b>SolarWise Tier One: 5% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
<a href="#">Small-Scale Solar I – Host Owned (1-10 kW)</a>	<a href="#">36.49 (15 Year Tariff)</a>
<a href="#">Small-Scale Solar I – Host Owned (1-10 kW)</a>	<a href="#">32.39 (20 Year Tariff)</a>
<a href="#">Small-Scale Solar II (11-25 kW)</a>	<a href="#">29.14 (20 Year Tariff)</a>
<del>Small-Scale Solar – Host Owned (1-10 kW DC)</del>	<del>39.53 (15-yr Tariff)</del>
<del>Small-Scale Solar – Host Owned (1-10 kW DC)</del>	<del>35.12 (20-yr Tariff)</del>
<del>Small-Scale Solar (11-25 kW DC)</del>	<del>26.15 (20-yr Tariff)</del>

<b>SolarWise Tier Two: 10% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
<u>Small-Scale Solar I – Host Owned (1-10 kW)</u>	<u>38.23 (15 Year Tariff)</u>
<u>Small-Scale Solar I – Host Owned (1-10 kW)</u>	<u>33.94 (20 Year Tariff)</u>
<u>Small-Scale Solar II (11-25 kW)</u>	<u>30.53 (20 Year Tariff)</u>
<del>Small-Scale Solar – Host Owned (1-10 kW DC)</del>	<del>41.42 (15-yr Tariff)</del>
<del>Small-Scale Solar – Host Owned (1-10 kW DC)</del>	<del>36.80 (20-yr Tariff)</del>
<del>Small-Scale Solar (11-25 kW DC)</del>	<del>27.39 (20-yr Tariff)</del>

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<b>SolarWise Tier One – Small-Scale Solar Third Party Owned: 2% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
<u>Small-Scale Solar I – Third Party Owned</u> (1-10 kW)	<u>27.59</u> (15 Year Tariff)
<u>Small-Scale Solar I – Third Party Owned</u> (1-10 kW)	<u>24.53</u> (20 Year Tariff)
<u>Small-Scale Solar II</u> (11-25 kW)	<u>28.31</u> (20 Year Tariff)
<del>Small-Scale Solar – 3rd Party Owner</del> (1-10 kW-DC)	<del>28.92</del> (15-yr Tariff)
<del>Small-Scale Solar – 3rd Party Owner</del> (1-10 kW-DC)	<del>25.19</del> (20-yr Tariff)
<del>Small-Scale Solar</del> (11-25 kW-DC)	<del>25.40</del> (20-yr Tariff)

<b>SolarWise Tier Two – Small-Scale Solar Third Party Owned: 4% PBI Increase</b>	
Renewable Energy Class (Nameplate kW)	Ceiling Price/Standard PBI (cents/kWh)
<u>Small-Scale Solar I – Third Party Owned</u> (1-10 kW)	<u>28.13</u> (15 Year Tariff)
<u>Small-Scale Solar I – Third Party Owned</u> (1-10 kW)	<u>25.01</u> (20 Year Tariff)
<u>Small-Scale Solar II</u> (11-25 kW)	<u>28.86</u> (20 Year Tariff)
<del>Small-Scale Solar – 3rd Party Owner</del> (1-10 kW-DC)	<del>29.48</del> (15-yr Tariff)
<del>Small-Scale Solar – 3rd Party Owner</del> (1-10 kW-DC)	<del>25.69</del> (20-yr Tariff)

<del>Small Scale Solar (11-25 kW DC)</del>	<del>25.90 (20-yr Tariff)</del>
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**Schedule IS-2**

**Solicitation and Enrollment Process Rules for Solar (Greater Than  
25kW), Wind, Hydro and Anaerobic Digester Projects**



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

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

***Effective Date: April 1, 2017***

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## I. Introduction and Overview

### 1.1 Purpose of the Solicitation and Enrollment

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

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

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

### 1.2 Enrollment Framework

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

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

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

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

Annual MW targets are as follows, with at least three megawatts (3 MW) of capacity to be carved out exclusively for small-scale solar projects in each of the first four (4) program years. The Board may recommend and/or the Commission may adopt a new annual MW target. Nameplate capacity associated with projects from the DG Standard Contracts Program that do not achieve commercial operation will also be added to the last program year.

Program Year	2015	2016	2017	2018	2019
Annual Target (Nameplate)	25 MW	40 MW	40 MW	40 MW	160 MW + Actual remaining DG Standard Contract Capacity <sup>1</sup> - (Actual 2015 + Actual 2016 + Actual 2017 + Actual 2018)

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

For each program year, the Board will recommend the Ceiling Prices and Standard Performance-Based Incentives (PBI), as applicable, for each renewable energy class, subject to Commission approval. For Competitive Bid projects, the Ceiling Price is the bidding price cap, further described in Section 2.1.5. Small-scale solar and medium-scale solar projects will receive a Standard PBI under the tariff, further described in Section 2.1.4. See Schedule 2 for the approved Ceiling Prices and Standard PBIs for the current program year.

**1.1.1 Applications**

Each enrollment will be open for a two (2) week period. During the enrollment period, National Grid will accept standard short-form applications. The standard application shall require the Applicant to provide the following information about the project: (1) the project ownership; (2) the location of the proposed project; (3) the nameplate capacity; and (4) the renewable energy class. The application allows Applicants to provide additional information relative to the

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<sup>1</sup> Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (R.I.G.L § 39-26.6-12(e)), any shortfall in the 2014 Distributed Generation Standard Contracts Program shall be added to the 160 MW target for the fifth program year.

permitting, financial feasibility, ability to build, and timing for achieving commercial operation of the proposed projects. The Applicant must certify in the application that the project will not violate the prohibition on project segmentation, as set forth in the Tariff.

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

### **1.1.2 Eligibility Requirements**

#### **1.1.2.1 Introduction**

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

#### **1.1.2.2 Eligible Applicant**

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

#### **1.1.2.3 Eligible Facilities**

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

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

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

#### 1.1.2.3.1 Renewable Energy Classes

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

#### 1.1.2.3.2 Prohibition on Project Segmentation

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

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

A Project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the Project and the start of construction of new distributed generation unit(s) of the same resource technology on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resource technologies (e.g., a wind turbine and a solar array could both be eligible within the 24 month window). In addition, DG projects installed on contiguous parcels will not be considered segmented if they serve different customers and both customers opt to receive Bill Credits under Option 2, as described in Section 8.c. of the Tariff.

#### 1.1.2.3.3 Small Distributed Generation Projects

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

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

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

1.1.2.3.4 Large Distributed Generation Projects

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

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

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

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

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

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

**2.1.1 Interconnection Progress Prior to Enrollment**

A Project must have made sufficient progress in the interconnection process prior to enrollment to ensure that interconnection costs have been estimated and the Project is likely to meet the statutory deadlines above. Project owners must have already submitted an application for interconnection and, if necessary, must have received a completed Impact Study for Renewable DG (ISR DG) from the Company. A copy of the interconnection application and a completed ISR DG, or valid Interconnection Service Agreement, must be enclosed along with an application

for enrollment under this program. A valid Interconnection Service Agreement is one that has been signed by both the Applicant and National Grid. All interconnection costs, if any, must be paid by the Applicant of the distributed generation (DG) project in accordance with the payment plan identified within the Interconnection Service Agreement. However, a distributed generation facility owner may appeal to the Commission to reduce any required system upgrade costs to the extent such upgrades can be shown to benefit other customers of the electric distribution company and the balance of such costs shall be included in rates by the electric distribution company for recovery in the year incurred or the year following incurrence.

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

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_standard\\_interconnection.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_standard_interconnection.asp)

### **2.1.2 Site Control**

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

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

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

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

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

### **2.1.4 Standard Performance-Based Incentive (PBI) Payments for Small-Scale and Medium-Scale Solar Projects**

Small-scale and medium-scale solar projects enrolled in the RE Growth Program will receive a Standard PBI for the period of years shown in the applicable Tariff supplement. See Schedule 2 for the approved Standard PBIs for the current program year. The Standard Performance-Based Incentive is recommended by the Board and approved by the Commission. The Standard Performance-Based Incentive is a price per kilowatt-hour to be paid for the entire output of the facility for as long as the facility is enrolled in the Program. These projects shall be selected on a

“first come, first served” basis. Small-scale solar projects must apply to the RE Growth Program pursuant to the Small-Scale Solar Solicitation and Enrollment Rules.

If, after the first program year, the applications for the medium-scale solar projects are significantly over-subscribed, then the Board and National Grid, in consultation with the OER, may propose to the Commission a bidding process for medium-scale solar projects or a subset of the medium-scale solar projects as described in section 2.1.6 below.

### **2.1.5 SolarWise Program for Small-Scale and Medium-Scale Solar Projects**

The SolarWise Program combines savings that result from Energy Efficiency (EE) measures with additional incentives paid from the RE Growth Program for pursuing solar installations. Small-scale and medium-scale solar projects that commit to or install energy efficiency savings measures from the SolarWise Program can qualify for SolarWise Bonus Payments within the Renewable Energy Growth Program.

Because 250 kW DC nameplate capacity is the maximum size of SolarWise Renewable Energy Classes, projects participating in Community Distributed Generation are ineligible to participate in the SolarWise Program. Projects participating in Shared Solar may participate in SolarWise provided that the Customer location where the Shared Solar Project is located has been approved for a SolarWise Bonus Tier based on savings achieved through the Company’s energy efficiency program. The Bonus Tier will be determined by the energy savings Bonus Tier achieved by the Customer, but all recipient accounts of a Shared Solar Project must have participated in the Company’s energy efficiency programs through an energy efficiency audit.

Applicants wishing to obtain the SolarWise Bonus Payment must show that they have achieved, (or, for large C&I customers, are committed to achieve through EE measures), the required program savings levels. An Applicant must submit an application form and required documentation to the SolarWise Program. Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments, provided their project is selected in the RE Growth Program per section 2.1.4 above. The PBI payments will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant’s SolarWise Approval and Certificate of Eligibility. See Schedule 3 for the PBIs applicable to projects approved as part of the SolarWise Program. Please refer to the SolarWise Customer Guide as well as Section 8.d. of the Tariff for more information on the SolarWise Program.

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

Large-scale and commercial-scale solar projects and distributed generation projects for other eligible technologies are subject to a bidding process to determine which Projects are selected for the RE Growth Program. Each Project is required to bid a price per kilowatt-hour for its entire output (net of any station service) for the approved tariff term length, which shall not exceed the applicable ceiling price. Following eligibility and threshold evaluations, the price evaluation of the bids for that applicable Tariff supplement will be applied on a consistent basis

such that the same approved term lengths for competing bids are used to determine the winning bids. Selection will be made by ranking the eligible projects from lowest bid price received to highest, but not to exceed the applicable ceiling price. See Schedule 2 for the approved Ceiling Prices for the current program year. Projects will be selected beginning with the lowest bid price and continuing to select projects up to the enrollment MW target for the applicable class. If selected, the price each Project bids into the solicitation will be its PBI paid under the applicable Tariff supplement.

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

## 2.2 Issuance of Certificates of Eligibility

For small-scale and medium-scale solar projects, National Grid shall provide Certificates of Eligibility to the selected projects without obtaining Commission confirmation or approval, but subject to the review and consent of the OER. National Grid will file with the Commission a list of all small-scale and medium-scale solar Projects that are awarded Certificates of Eligibility. National Grid will award Certificates of Eligibility to eligible small-scale solar projects in accordance with the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects. National Grid will award Certificates of Eligibility to eligible medium-scale solar projects on a “first come, first served” basis until the enrollment MW target for that renewable energy class is fully subscribed.

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

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

## 2.3 Requirements to Initiate Payment for Output

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

### 2.3.1 Performance Guarantee Deposit

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

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

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

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

### 2.3.2 Project Schedule and Output Certification

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

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

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

1. that the DG Facility or project has been completed in all material respects;

- a. including completion of construction of facility and all interconnection facilities necessary for operation;
  - b. applicable meters have been installed and tested (commissioned).
2. that the DG Facility or project is capable of producing at least 90% of the maximum hourly output proposed in the project application and specified on the *Certificate of Eligibility*;
  3. the actual nameplate capacity of the DG Facility or project as built and specified on the *Certificate of Eligibility*; and
  4. the maximum hourly output in kWh/hour in Alternating Current (AC) of the facility as built and specified on the *Certificate of Eligibility*.

Once a DG Project has provided the Output Certification to National Grid, the Project then has 90 days to meet all other requirements pursuant to Section 8.a. of the Tariff in order to receive payment.

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

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

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

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

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

## **2.4 Ownership of Products**

The Company shall have the rights and receive title to:

- (1) Renewable Energy Certificates (RECs) generated by the Project during the applicable term of the Tariff supplement;
- (2) All energy produced by the Project; and

- (3) Rights to any other environmental attributes or electricity market products or services that are created or produced by the Project; provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project.

### **Zero Energy Building Rate**

To support customers' zero energy building goals, National Grid offers an Applicant with a DG Project that is not a Community Remote DG Project the option to buy back from the Company the RECs generated by the Project under the Zero Energy Building (ZEB) Rate. Such Applicants will have their PBI payments reduced by the Company's Average Compliance Year New Renewable Energy Resource REC Cost in effect at the time of the PBI payment, as noted in the Company's Renewable Energy Standard Charge and Reconciliation filing with the Commission, converted into a per kWh value. The Company will retire the RECs purchased by Applicants on their behalf at the end of the Renewable Energy Standard compliance year. Customers choosing this option must do so on their application. If offered a Certificate of Eligibility, such customers must continue to purchase the RECs generated by their Project for the term of their Certificate of Eligibility. Shared Solar projects wishing to participate in this rate option must enroll 100% of the Project's output in the ZEB Rate to do so.

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

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

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

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

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

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

## 2.5 Community Remote Distributed Generation

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

Each CRDG class will have a distinct ceiling price as established by the Board, and each class shall be for resources that are larger than 250 kW (DC for solar, AC for other technologies) nameplate capacity. CRDG projects will compete against other CRDG project in the same CRDG technology and size classes as set by the Board. Each two-week enrollment period will feature these classes as separate categories in which projects will be able to compete. The Company will select CRDG projects as it selects other projects in competitive classes on the basis of prices bid by the project Applicant, and will offer a Certificate of Eligibility to successful Applicants under the same rules and processes as other classes. CRDG renewable energy classes, annual enrollment targets, and ceiling prices are listed on Schedules 1 and 4.

### 2.5.1 CRDG - Additional Application Materials and Provisions

CRDG Applicants must receive PBI payments in the form of cash and Bill Credits. No more than fifty percent (50%) of the output by kWh generated by the DG Project may be allocated to a single Bill Credit Recipient. At least 50% of the output must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system. Both of these conditions must be met within the operational timelines specified in the Tariff, and must be met prior to being allowed to operate in parallel. CRDG Applicants must submit a Customer Payment/Credit Transfer Form that notes the billing accounts for Bill Credit Recipients and other required information. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules. CRDG Applicants must designate at least three (3) eligible Bill Credit Recipients.

Full Bill Credit Recipient criteria, the allocation of CRDG kWh generation to Bill Credit Recipients, and the calculation of Bill Credits and cash payments are as set forth in Section 8.d. of the Tariff.

## 2.6 Shared Solar

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

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

DG Project. Where two properties are separated by a public way, they will not be considered to be adjacent.

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

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

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

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

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

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

### III. Contact Information and Other Provisions

#### 3.1 Official Contact

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

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

#### 3.2 Submittal of Enrollment Applications

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island Renewable Energy Growth Program website:

[ngrid.com/REGrowth](http://ngrid.com/REGrowth)

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

#### 3.3 Confidentiality

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

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

#### 3.4 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules, is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility (Section 2.2 above) and without any liability on the part of National Grid, postpone, withdraw

and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

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**Schedule 1**

**Approved Annual Enrollment Targets**

<b>Renewable Energy Class</b>	<b>Annual Enrollment Target (Nameplate MW)</b>
Medium-Scale Solar	3.0 MW DC
Commercial-Scale Solar	5.0 MW DC
Community Remote - Commercial Solar	3.0 MW DC
Large Solar	12.05 MW DC
Community Remote - Large Solar	3.0 MW DC
Small Wind	0.400 MW DC
Community Remote and Non-Community Remote Wind I, II and III	6.0 MW DC
Anaerobic Digestion I	1.0 MW DC
Anaerobic Digestion II	
Small-Scale Hydropower I	
Small-Scale Hydropower II	

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

**Schedule 2****Approved Renewable Energy Classes, Standard PBIs and Ceiling Prices Applicable to Current Program Year**

Renewable Energy Class (Nameplate kW)	Standard PBI applicable to <i>Medium-Scale Solar only</i> (Inclusive of assumed eligible federal incentives) (cents/kWh)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	22.75	N/A	20
Commercial-Scale Solar (251-999 kW DC)	N/A	18.75	20
Large-Scale Solar (1,000-5,000 kW DC)	N/A	15.05	20
Small Wind (10-999 kW)	N/A	21.45	20
Wind I (1,000-2,999 kW)	N/A	19.45	20
Wind II (3,000-5,000 kW; 2-turbine)	N/A	18.25	20
Wind III (3,000-5,000 kW; 3-turbine)	N/A	17.35	20
Anaerobic Digestion I (150-500 kW)	N/A	20.15	20
Anaerobic Digestion II (501-1,000 kW)	N/A	20.15	20
Small Scale Hydropower I (10-250 kW)	N/A	22.45	20
Small Scale Hydropower II (251-1,000)	N/A	22.45	20

**Schedule 3**

**Renewable Energy Growth Program PBI Inclusive of SolarWise Bonus**

<b>SolarWise Tier One: 5% PBI Increase</b>		
Renewable Energy Class (Nameplate kW)	Standard PBI applicable to <i>Medium-Scale Solar only</i> (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	23.89	20

<b>SolarWise Tier Two: 10% PBI Increase</b>		
Renewable Energy Class (Nameplate kW)	Standard PBI applicable to <i>Medium-Scale Solar only</i> (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	25.03	20

**Schedule 4**

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

Renewable Energy Class (Nameplate kW)	Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)	Term of Service (years)
CRDG - Commercial Solar (251-999 kW DC)	20.65	20
CRDG - Large Solar (1,000-5,000 kW DC)	16.85	20
CRDG - Wind I (1,000-2,999 kW DC)	20.65	20
CRDG - Wind II (3,000-5,000 kW DC; 2-turbine)	19.35	20
CRDG - Wind III (3,000-5,000 kW DC; 3-turbine)	18.55	20

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**Schedule 5**

**Anticipated Timeline**

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

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

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

*Effective Date: April 1, ~~2016~~2017*

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## I. Introduction and Overview

### 1.1 Purpose of the Solicitation and Enrollment

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

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

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

### 1.2 Enrollment Framework

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

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

For each program year, the Board will recommend the enrollment MW target and a target amount of megawatts for each class of renewable resource (class MW target), which will be a specific portion of the enrollment MW target. Both of these recommendations from the Board are subject to Commission approval. If there is an over-subscription in one class and an under-subscription in an enrollment MW target, then National Grid, the OER, and the Board may mutually agree to allocate megawatts from one class to another without Commission approval as long as the re-allocated targets would not exceed the annual MW Target.

Annual MW targets are as follows, with at least three megawatts (3 MW) of capacity to be carved out exclusively for small-scale solar projects in each of the first four (4) program years. The Board may recommend and/or the Commission may adopt a new annual MW target. Nameplate capacity associated with projects from the DG Standard Contracts Program that do not achieve commercial operation will also be added to the last program year.

<u>Program Year</u>	2015	2016	2017	2018	2019
Annual Target <u>(Nameplate)</u>	25 MW	40 MW	40 MW	40 MW	160 MW + Actual remaining DG Standard Contract Capacity <sup>1</sup> - (Actual 2015 + Actual 2016 + Actual 2017 + Actual 2018)

A "program year" means a year beginning April 1 and ending March 31, except that the first program year may begin after April 1, 2015, subject to Commission approval. Except for the first program year (2015), National Grid is required, in consultation with the Board and the OER, to conduct at least three (3) tariff enrollments for each distributed generation class each program year. For the first program year, the Board may recommend that either two (2) or three (3) enrollments be conducted. The classes and targets for each program year are listed in Schedule 1, which will be updated periodically, and Schedule ~~4-2~~ of this application, ~~which will be updated periodically.~~

For each program year, the Board will recommend the Ceiling Prices and Standard Performance-Based Incentives (PBI), as applicable, for each renewable energy class, subject to Commission approval. For Competitive Bid projects, the Ceiling Price is the bidding price cap, further described in Section 2.1.5. Small-scale solar and medium-scale solar projects will receive a Standard PBI under the tariff, further described in Section 2.1.4. See Schedule 4-2 for the approved Ceiling Prices and Standard PBIs for the current program year.

### 1.1.1 Applications

<sup>1</sup> Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws (R.I.G.L § 39-26.6-12(e)), any shortfall in the 2014 Distributed Generation Standard Contracts Program shall be added to the 160 MW target for the fifth program year.

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

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

## 1.1.2 Eligibility Requirements

### 1.1.2.1 Introduction

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

### 1.1.2.2 Eligible Applicant

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

### 1.1.2.3 Eligible Facilities

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

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

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

environmental or operational requirements, in addition to meeting the other criteria of the RE Growth Program.

#### 1.1.2.3.1 Renewable Energy Classes

For each program year, the Board shall determine the renewable energy classes, which are defined by specific technology, nameplate size, and other requirements as may be applicable as determined by the Board, subject to Commission approval. The Board may make recommendations to the Commission to add, eliminate, or adjust renewable energy classes for each program year. See Schedule [4-2](#) for the approved renewable energy classes for the applicable program year. To be eligible for an enrollment, a distributed generation project must qualify within one of the approved renewable energy classes for the applicable program year as indicated in Schedule [4-2](#).

#### 1.1.2.3.2 Prohibition on Project Segmentation

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

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

A Project is not considered segmented if: (1) at least twenty-four (24) months elapse between the operating start-date of the Project and the start of construction of new distributed generation unit(s) of the same resource technology on the same parcel or a contiguous parcel; or (2) the distributed generation projects use different renewable resource technologies (e.g., a wind turbine and a solar array could both be eligible within the 24 month window). In addition, DG projects installed on contiguous parcels will not be considered segmented if they serve different customers and both customers opt to receive [Bill Credits](#) under Option 2, as described in Section 8.c. of the Tariff.

### 1.1.2.3.3 Small Distributed Generation Projects

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

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

See Schedule [4-2](#) for approved renewable energy classes that are eligible for the current enrollment. Note that there is a separate solicitation and enrollment process rules for Small-Scale Solar projects.

### 1.1.2.3.4 Large Distributed Generation Projects

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

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

See Schedule [4-2](#) for approved renewable energy classes that are eligible for the current enrollment.

## II. Application Evaluation and Selection Criteria and Process

### 2.1 Overview of Application Evaluation and Selection Process

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

### 2.1.1 Interconnection Progress Prior to Enrollment

A Project must have made sufficient progress in the interconnection process prior to enrollment to ensure that interconnection costs have been estimated and the Project is likely to meet the statutory deadlines above. Project owners must have already submitted an application for interconnection and, if necessary, must have received a completed Impact Study for Renewable DG (ISRDG) from the Company. A copy of the interconnection application and a completed ISRDG, or valid Interconnection Service Agreement, must be enclosed along with an application for enrollment under this program. A valid Interconnection Service Agreement is one that has been signed by both the Applicant and National Grid. All interconnection costs, if any, must be paid by the Applicant of the distributed generation (DG) project in accordance with the payment plan identified within the Interconnection Service Agreement. However, a distributed generation facility owner may appeal to the Commission to reduce any required system upgrade costs to the extent such upgrades can be shown to benefit other customers of the electric distribution company and the balance of such costs shall be included in rates by the electric distribution company for recovery in the year incurred or the year following incurrence.

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

[https://www.nationalgridus.com/narragansett/business/energyeff/4\\_standard\\_interconnection.asp](https://www.nationalgridus.com/narragansett/business/energyeff/4_standard_interconnection.asp)

### 2.1.2 Site Control

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

### 2.1.3 Application Completeness and Timeliness

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

Applications must be timely submitted in accordance with the enrollment dates set forth in Schedule 45. Applications received after the deadline will not be accepted.

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

#### **2.1.4 Standard Performance-Based Incentive (PBI) Payments for Small-Scale and Medium-Scale Solar Projects**

Small-scale and medium-scale solar projects enrolled in the RE Growth Program will receive a Standard PBI for the period of years shown in the applicable Tariff supplement. See Schedule [4-2](#) for the approved Standard PBIs for the current program year. The Standard Performance-Based Incentive is recommended by the Board and approved by the Commission. The Standard Performance-Based Incentive is a price per kilowatt-hour to be paid for the entire output of the facility for as long as the facility is enrolled in the Program. These projects shall be selected on a “first come, first served” basis. Small-scale solar projects must apply to the RE Growth Program pursuant to the Small-Scale Solar Solicitation and Enrollment Rules.

If, after the first program year, the applications for the medium-scale solar projects are significantly over-subscribed, then the Board and National Grid, in consultation with the OER, may propose to the Commission a bidding process for medium-scale solar projects or a subset of the medium-scale solar projects as described in section 2.1.6 below.

#### **2.1.5 SolarWise Program for Small-Scale and Medium-Scale Solar Projects**

The SolarWise Program combines savings that result from Energy Efficiency (EE) measures with additional incentives paid from the RE Growth Program for pursuing solar installations. Small-scale and medium-scale solar projects that commit to or install energy efficiency savings measures from the SolarWise Program can qualify for SolarWise Bonus Payments within the Renewable Energy Growth Program.

Because 250 kW DC nameplate capacity is the maximum size of SolarWise Renewable Energy Classes, projects participating in Community Distributed Generation are ineligible to participate in the SolarWise Program. Projects participating in Shared Solar may participate in SolarWise provided that the Customer location where the Shared Solar Project is located has been approved for a SolarWise Bonus Tier based on savings achieved through the Company’s energy efficiency program. The Bonus Tier will be determined by the energy savings Bonus Tier achieved by the Customer, but all recipient accounts of a Shared Solar Project must have participated in the Company’s energy efficiency programs through an energy efficiency audit.

Applicants wishing to obtain the SolarWise Bonus Payment must show that they have achieved, (or, for large C&I customers, are committed to achieve through EE measures), the required program savings levels. An Applicant must submit an application form and required documentation to the SolarWise Program. Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments, provided their project

is selected in the RE Growth Program per section 2.1.4 above. The PBI payments will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility. See Schedule [2-3](#) for the PBIs applicable to projects approved as part of the SolarWise Program. Please refer to the SolarWise Customer Guide as well as Section 8.d. of the Tariff for more information on the SolarWise Program.

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

Large-scale and commercial-scale solar projects and distributed generation projects for other eligible technologies are subject to a bidding process to determine which Projects are selected for the RE Growth Program. Each Project is required to bid a price per kilowatt-hour for its entire output (net of any station service) for the approved tariff term length, which shall not exceed the applicable ceiling price. Following eligibility and threshold evaluations, the price evaluation of the bids for that applicable Tariff supplement will be applied on a consistent basis such that the same approved term lengths for competing bids are used to determine the winning bids. Selection will be made by ranking the eligible projects from lowest bid price received to highest, but not to exceed the applicable ceiling price. See Schedule [4-2](#) for the approved Ceiling Prices for the current program year. Projects will be selected beginning with the lowest bid price and continuing to select projects up to the enrollment MW target for the applicable class. If selected, the price each Project bids into the solicitation will be its PBI paid under the applicable Tariff supplement.

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

## **2.2 Issuance of Certificates of Eligibility**

For small-scale and medium-scale solar projects, National Grid shall provide Certificates of Eligibility to the selected projects without obtaining Commission confirmation or approval, but subject to the review and consent of the OER. National Grid will file with the Commission a list of all small-scale and medium-scale solar Projects that are awarded Certificates of Eligibility. National Grid will award Certificates of Eligibility to eligible small-scale solar projects in accordance with the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects. National Grid will award Certificates of Eligibility to eligible medium-scale solar projects on a "first come, first served" basis until the enrollment MW target for that renewable energy class is fully subscribed.

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

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

## 2.3 Requirements to Initiate Payment for Output

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

### 2.3.1 Performance Guarantee Deposit

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

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

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

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

### 2.3.2 Project Schedule and Output Certification

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

proposed construction schedule must allow it to meet the applicable deadline after it has received a Certificate of Eligibility.

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

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

1. that the DG Facility or project has been completed in all material respects;
  - a. including completion of construction of facility and all interconnection facilities necessary for operation;
  - b. applicable meters have been installed and tested (commissioned).
2. that the DG Facility or project is capable of producing at least 90% of the maximum hourly output proposed in the project application and specified on the *Certificate of Eligibility*;
3. the actual nameplate capacity of the DG Facility or project as built and specified on the *Certificate of Eligibility*; and
4. the maximum hourly output in kWh/hour in Alternating Current (AC) of the facility as built and specified on the *Certificate of Eligibility*.

Once a DG Project has provided the Output Certification to National Grid, the Project then has 90 days to meet all other requirements pursuant to Section 8.a. of the Tariff in order to receive payment.

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

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

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

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

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

## 2.4 Ownership of Products

The Company shall have the rights and receive title to:

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

### Zero Energy Building Rate

To support customers' zero energy building goals, National Grid offers an Applicant with a DG Project that is not a Community Remote DG Project the option to buy back from the Company the RECs generated by the Project under the Zero Energy Building (ZEB) Rate. Such Applicants will have their PBI payments reduced by the Company's Average Compliance Year New Renewable Energy Resource REC Cost in effect at the time of the PBI payment, as noted in the Company's Renewable Energy Standard Charge and Reconciliation filing with the Commission, converted into a per kWh value. The Company will retire the RECs purchased by Applicants on their behalf at the end of the Renewable Energy Standard compliance year. Customers choosing this option must do so on their application. If offered a Certificate of Eligibility, such customers must continue to purchase the RECs generated by their Project for the term of their Certificate of Eligibility. Shared Solar projects wishing to participate in this rate option must enroll 100% of the Project's output in the ZEB Rate to do so.

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

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

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

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

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

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

### 2.5 Community Remote Distributed Generation

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

Each CRDG class will have a distinct ceiling price as established by the Board, and each class shall be for resources that are larger than 250 kW (DC for solar, AC for other technologies) nameplate capacity. CRDG projects will compete against other CRDG project in the same CRDG technology and size classes as set by the Board. Each two-week enrollment period will feature these classes as separate categories in which projects will be able to compete. The Company will select CRDG projects as it selects other projects in competitive classes on the basis of prices bid by the project Applicant, and will offer a Certificate of Eligibility to successful Applicants under the same rules and processes as other classes. CRDG renewable energy classes, annual enrollment targets, and ceiling prices are listed on Schedules 1 and 4.

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

CRDG Applicants must receive PBI payments in the form of cash and Bill Credits. No more than fifty percent (50%) of the output by kWh generated by the DG Project may be allocated to a single Bill Credit Recipient. At least 50% of the output must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt

(25 kW) AC capacity system. Both of these conditions must be met within the operational timelines specified in the Tariff, and must be met prior to being allowed to operate in parallel. CRDG Applicants must submit a Customer Payment/Credit Transfer Form that notes the billing accounts for Bill Credit Recipients and other required information. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules. CRDG Applicants must designate at least three (3) eligible Bill Credit Recipients.-

Full Bill Credit Recipient criteria, the allocation of CRDG kWh generation to Bill Credit Recipients, and the calculation of Bill Credits and cash payments are as set forth in Section 8.d. of the Tariff.

## 2.6 Shared Solar

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

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

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

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

### 2.6.1 Shared Solar Additional Application Material and Provisions

At the time of application, Shared Solar Applicants must submit a Customer Payment/Credit Transfer Form that notes what billing accounts will be receiving Bill Credits. The system must be sized to not provide output greater than the total of the aggregate three-year average annual usage of all of the Bill Credit recipients, like other on-site systems. Shared Solar Projects must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts in the same

customer class and on the same or adjacent parcels of land. Public entities may allocate such Bill Credits to at least two (2) and up to fifty (50) accounts without regard to location so long as the Shared Solar Project and Bill Credit Recipient points of service, which must all belong to the same municipality or public entity, are within the same municipality.

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

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

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

#### **3.1 Official Contact**

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

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

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

The Solicitation and Enrollment Process Rules are posted on the National Grid Rhode Island Renewable Energy Growth Program website:

[ngrid.com/REGrowth](http://ngrid.com/REGrowth)

Applications must be submitted electronically via the website, during the two-week Open Enrollment set forth in Schedule [45](#). Applications received after the deadline cannot be accepted for that particular open enrollment but can be submitted in a future open enrollment solicitation.

### 3.3 Confidentiality

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

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

### 3.4 Modification or Cancellation of an Enrollment

Pursuant to Chapter 26.6 of Title 39 of the Rhode Island General Laws, any dispute involving the performance-based incentive payments, terms, conditions, rights, enforcement, and implementation of the Tariffs and these Rules, is subject to the exclusive jurisdiction of the Commission. National Grid may, at any time up to the issuance of Certificates of Eligibility (Section 2.2 above) and without any liability on the part of National Grid, postpone, withdraw and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment.

**Schedule 1**

**Approved Annual Enrollment Targets**

<b><u>Renewable Energy Class</u></b>	<b><u>Annual Enrollment Target (Nameplate MW)</u></b>
<u>Medium-Scale Solar</u>	<u>3.0 MW DC</u>
<u>Commercial-Scale Solar</u>	<u>5.0 MW DC</u>
<u>Community Remote - Commercial Solar</u>	<u>3.0 MW DC</u>
<u>Large Solar</u>	<u>12.05 MW DC</u>
<u>Community Remote - Large Solar</u>	<u>3.0 MW DC</u>
<u>Small Wind</u>	<u>0.400 MW DC</u>
<u>Community Remote and Non-Community Remote Wind I, II and III</u>	<u>6.0 MW DC</u>
<u>Anaerobic Digestion I</u>	<u>1.0 MW DC</u>
<u>Anaerobic Digestion II</u>	
<u>Small-Scale Hydropower I</u>	
<u>Small-Scale Hydropower II</u>	

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

Schedule ~~12~~

Approved Renewable Energy Classes, ~~Annual Enrollment Targets~~, Standard PBIs and Ceiling Prices Applicable to Current ~~Enrollment Period~~ Program Year

<u>Renewable Energy Class (Nameplate kW)</u>	<u>Standard PBI applicable to Medium-Scale Solar only (Inclusive of assumed eligible federal incentives) (cents/kWh)</u>	<u>Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)</u>	<u>Term of Service (years)</u>
<u>Medium-Scale Solar (26-250 kW DC)</u>	<u>22.75</u>	<u>N/A</u>	<u>20</u>
<u>Commercial-Scale Solar (251-999 kW DC)</u>	<u>N/A</u>	<u>18.75</u>	<u>20</u>
<u>Large-Scale Solar (1,000-5,000 kW DC)</u>	<u>N/A</u>	<u>15.05</u>	<u>20</u>
<u>Small Wind (10-999 kW)</u>	<u>N/A</u>	<u>21.45</u>	<u>20</u>
<u>Wind I (1,000-2,999 kW)</u>	<u>N/A</u>	<u>19.45</u>	<u>20</u>
<u>Wind II (3,000-5,000 kW; 2-turbine)</u>	<u>N/A</u>	<u>18.25</u>	<u>20</u>
<u>Wind III (3,000-5,000 kW; 3-turbine)</u>	<u>N/A</u>	<u>17.35</u>	<u>20</u>
<u>Anaerobic Digestion I (150-500 kW)</u>	<u>N/A</u>	<u>20.15</u>	<u>20</u>
<u>Anaerobic Digestion II (501-1,000 kW)</u>	<u>N/A</u>	<u>20.15</u>	<u>20</u>
<u>Small Scale Hydropower I (10-250 kW)</u>	<u>N/A</u>	<u>22.45</u>	<u>20</u>
<u>Small Scale Hydropower II</u>	<u>N/A</u>	<u>22.45</u>	<u>20</u>

<u>(251-1,000)</u>			
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Renewable Energy Class (Nameplate kW)	Annual Enrollment Target (Nameplate MW)	Standard PBI applicable to Medium-Scale Solar only (including ITC/PTC & Bonus Depreciation) (cents/kWh)	Ceiling Price (including ITC/PTC & Bonus Depreciation) (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	5	22.55	N/A	20
Commercial-Scale Solar (251-999 kW DC)	8	N/A	19.30	20
Large-Scale Solar (1,000-5,000 kW DC)	11	N/A	15.10	20
Wind (1,500-2,999 kW 3,000-5,000 kW; 2-turbine 3,000-5,000 kW; 3-turbine)	9	N/A N/A N/A	18.75 18.00 17.40	20 20 20
Anaerobic Digestion (150-500 kW 501-1,000 kW)		N/A N/A	20.00 20.00	20 20
Small-Scale Hydropower (up to 1,000 kW 10-250 kW 251-1,000 kW)	1.5	N/A N/A	18.65 17.45	20 20

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

Schedule **23**

Renewable Energy Growth Program PBI Inclusive of SolarWise Bonus

SolarWise Tier One: 5% PBI Increase		
Renewable Energy Class (Nameplate kW)	Standard PBI applicable to Medium-Scale Solar only ( <u>Inclusive of assumed eligible federal incentives</u> ) <del>(including ITC/PTC &amp; Bonus Depreciation)</del> (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	<del>23.68</del> <u>23.89</u>	20

SolarWise Tier <del>One</del> <u>Two</u> : 10% PBI Increase		
Renewable Energy Class (Nameplate kW)	Standard PBI applicable to Medium-Scale Solar only ( <u>Inclusive of assumed eligible federal incentives</u> ) <del>(including ITC/PTC &amp; Bonus Depreciation)</del> (cents/kWh)	Term of Service (years)
Medium-Scale Solar (26-250 kW DC)	<del>24.81</del> <u>25.03</u>	20

**Schedule 34**

**Community Remote Distributed Generation (CRDG) Approved Renewable Energy Classes, Annual Enrollment Targets, and Ceiling Prices Applicable to Current Program Year**

<u>Renewable Energy Class (Nameplate kW)</u>	<u>Ceiling Price (Inclusive of assumed eligible federal incentives) (cents/kWh)</u>	<u>Term of Service (years)</u>
<u>CRDG - Commercial Solar (251-999 kW DC)</u>	<u>20.65</u>	<u>20</u>
<u>CRDG - Large Solar (1,000-5,000 kW DC)</u>	<u>16.85</u>	<u>20</u>
<u>CRDG - Wind I (1,000-2,999 kW DC)</u>	<u>20.65</u>	<u>20</u>
<u>CRDG - Wind II (3,000-5,000 kW DC; 2-turbine)</u>	<u>19.35</u>	<u>20</u>
<u>CRDG - Wind III (3,000-5,000 kW DC; 3-turbine)</u>	<u>18.55</u>	<u>20</u>

<u>Renewable Energy Class (Nameplate kW)</u>	<u>Annual Enrollment Target (Nameplate MW)</u>	<u>Ceiling Price (including ITC/PTC &amp; Bonus Depreciation) (cents/kWh)</u>	<u>Term of Service (years)</u>

Note: Schedule 3 will be updated as required for each enrollment period.

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Schedule [345](#)

**Anticipated Timeline**

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



**THE NARRAGANSETT ELECTRIC COMPANY  
D/B/A NATIONAL GRID  
RIPUC DOCKET NO. 6894  
2017 RE GROWTH PROGRAM  
WITNESS: IAN SPRINGSTEEL**

**Schedule IS-3**

**RIPUC No. 2151-C, Renewable Energy Growth Program for  
Residential Customers**

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

**1. Introduction**

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

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

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

The Applicant is required to complete and update, as appropriate, the Application information for the Project, including but not limited to: the Project owner, the Customer, the Bill Credit Recipient, and the recipient of Performance-Based Incentive Payments. Also, an Applicant may designate a successor Applicant for the Project. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of the Project comply with the terms of the Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

**2. Definitions**

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

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

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

- b. **Application:** the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. **Bill Credit:** a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to on-site use subject to the eligibility requirements and provisions of Section 6.
- d. **Bill Credit Recipient:** a customer receiving retail delivery service pursuant to Rate A-16 or Rate A-60, and that is eligible to receive Bill Credits from a Shared Solar Facility or Standard DG Project pursuant to the eligibility rules in Section 6. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any payment plans or other agreements with the Company, including but not limited to an interconnection service agreement.
- e. **Board:** the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. **Certificate of Eligibility:** written notice by the Company that a Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- g. **Commission:** the Rhode Island Public Utilities Commission.
- h. **Company:** The Narragansett Electric Company d/b/a National Grid.
- i. **Customer:** an electric customer receiving retail delivery service on either Basic Residential Rate A-16 or Low Income Rate A-60 and who is the customer of record at the location on which a Project is installed.
- j. **Customer Payment/Credit Transfer Form:** a form submitted by the Applicant prior to the commercial operation date of the DG Project, which is updated periodically as necessary, and contains all required information to process monthly Performance-Based Incentive Payments and Bill Credits.
- k. **Nameplate Capacity:** the total rated power output of all the Project's panels, measured in direct current.
- l. **On-Site Use:** the amount of energy used at a Customer's service location during a billing period that may be delivered by the Company, or supplied by the Project, or both.
- m. **Performance-Based Incentive:** the standard price per kilowatt-hour ("kWh") recommended by the Board and approved by the Commission that is applicable to the output of a Project

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

when the Applicant has been awarded a Certificate of Eligibility pursuant to the Solicitation and Enrollment Process Rules.

- n. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- o. Project: a solar photovoltaic electricity generating facility that meets the eligibility requirements of the Rules and this Tariff, that is located in the Company's service territory, and that is interconnected with the Company's electric distribution system at a residential service location.
- p. Renewable Energy Certificate ("REC"): an electronic record produced by the New England Power Pool Generation Information System ("NEPOOL-GIS") that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.
- q. Renewable Energy Certificate Market Price: a per kWh value that represents the Company's Average Compliance Year New Renewable Energy Resource REC Cost as noted in the Company's most recent Renewable Energy Standard Charge and Reconciliation filing with the Commission.
- r. Shared Solar Facility: a single Small-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 6. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
- s. SolarWise Program: an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encourages the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursue greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- t. Solicitation and Enrollment Process Rules for Small-Scale Solar Projects: the rules that govern the solicitation, enrollment, and award processes for the RE Growth Program applicable to Customers, established pursuant to Chapter 26.6, and approved by the Commission.
- u. Standard DG Project: a Project that is not classified as a Shared Solar Facility.

**3. Project Segmentation**

Rhode Island law prohibits project segmentation in the RE Growth Program. In no case may a project developer be allowed to segment a distributed generation project on the same parcel or contiguous parcels into smaller sized projects in order to fall under a smaller size project classification.

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Subject to the exceptions below, projects proposed by a developer on the same parcel or contiguous parcels will be presumed to have been segmented, and only one of the projects will be eligible for a Certificate of Eligibility. An Applicant may appeal the Company's decision to the Commission.

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

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

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

**4. Metering**

- a. The Company shall install a Company-owned meter on all Projects for the purpose of measuring the output of the Project. The meter for the Project shall be wired in parallel with and be adjacent to the existing service meter.
- b. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain, and replace the meter(s).

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

For the term specified in the applicable Tariff supplement, the Company shall have the rights and title to the RECs and any other environmental attributes, as described below, or market products associated with the generation output of the Project. Pursuant to Chapter 26.6, the Customer shall retain title to all energy and capacity produced by the Project, shall be deemed to have consumed such energy

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and capacity on-site during the applicable billing period, and no sale of the Project's energy or capacity by the Customer to the Company shall be deemed to have occurred.

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

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

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

**Zero Energy Building Tariff Provision:** An Applicant with either a Standard DG Project or a Shared Solar Facility may opt to buy back the RECs from the Company. Under this election, the Applicant's Performance-Based Incentive Payment will be reduced by the Company's current Renewable Energy Certificate Market Price. The Company will then transfer the purchased RECs to a non-compliance account within the NEPOOL GIS, and will retire such RECs at the end of the Renewable Energy Standard compliance year. The Company will not use purchased RECs for any compliance purposes or sell such RECs to other parties.

## **6. Performance-Based Incentive Payment**

### **a. Eligibility**

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

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As a condition for receiving monthly payments pursuant to Section 6.c, the Applicant must provide confirmation of the following: (1) the Company's written authority to interconnect to its electric distribution system and the Applicant's payment of all amounts due, as assessed by the Company; (2) Commission certification of the Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard and NEPOOL-GIS asset registration; as demonstrated by the Applicant's completion of the Renewable Energy Certificate Assignment and Aggregation Form; and (3) the Bill Credit Recipient(s) associated electric service account is not in arrears and is current on any approved payment plan. Applicants qualified for Solar Bonus Payments must complete the requisite energy efficiency measures prior to receiving payment under this Tariff.

b. Performance-Based Incentive

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

If applicable, the Performance-Based Incentive may be adjusted to reflect the 1) Applicant's purchase of RECs pursuant to Section 5; and 2) SolarWise Bonus payments pursuant to Section 6.d.

c. Performance-Based Incentive Payment

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

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

1) Bill Credit Recipients

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

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2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient’s designated percentage allocation of the kWh output or the Bill Credit Recipient’s on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient’s Maximum Annual Limit defined as the Bill Credit Recipient’s three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the Maximum Annual Limit will be estimated initially. The Maximum Annual Limit may be requested to be reset once a total of three (3) years of billing history are available.

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

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

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

Where:

$$BC = \text{Bill Credit}$$

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

$$\text{DCHG} = \text{the sum of all retail delivery service per-kWh charges applicable to the Bill Credit Recipient’s retail delivery service rate class per RIPUC No. 2095, Summary of Retail Delivery Rates, as may be amended from time to time.}$$

$$\text{SOS} = \text{the Residential Standard Offer Service charge per RIPUC No. 2096, Summary of Standard Offer Service Rates, as may be amended from time to time.}$$

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

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

d. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments. Applicants with a Shared Solar Facility may be eligible to receive SolarWise Bonus payments provided that the Customer associated with the Shared Solar Facility has qualified for the SolarWise Bonus. The Bonus Tier will be determined by the energy savings estimate achieved by the Customer, but all Bill Credit Recipients of a Shared Solar Facility must have received an energy efficiency audit through the Company's Energy Efficiency Program. The PBI payments pursuant to Section 6.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

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

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

*If a customer application included Excluded Technologies Adjustments, the system may be sized to include generation sufficient to power the eligible "Excluded Technologies." For example, if the customer example above also provided evidence of an electric vehicle in possession at the time of application that would consume 2,000 kWh per year, the eligible system size would*

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*increase to 8.15 kW, in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

**7. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.
- b. The Applicant is required to comply with the Company's Standards for Connecting Distributed Generation.
- c. To be eligible to receive Renewable Net Metering Credits and Excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, the Project and the Customer must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of all costs it incurs to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.

**8. Dispute Resolution**

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

**9. Termination**

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

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

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

**10. Statutory Authority**

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

Effective Date: April 1, 2017

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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## 1. Introduction

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

This Tariff will apply to an Applicant who has installed a Project with a nameplate capacity of up to and including 25 kilowatts at a ~~Residential~~ Customer’s service location, or a Project with a nameplate capacity up to 250 kW that is operating as a Shared Solar Facility. ~~For this purpose, a Residential Customer (“Customer”) is defined as an electric customer receiving retail delivery service on either Basic Residential Rate A-16 or Low Income Rate A-60.~~ The Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the aggregate On-Site Use of the Residential Customer and the Bill Credit Recipient(s), if applicable,’s On-Site Use as measured over the previous three (3) years at the eligible electric service account(s) located on the same parcel of land as at the Residential Customer’s service location; 2) the aggregate annualized On-Site Use over the period of service to the Residential Customer and Bill Credit Recipient(s)’s service location if such service has been provided for less than three years; or 3) a reasonable estimate of the aggregate annual On-Site Use of the Customer and the Bill Credit Recipient(s) if the Project is located at a new service location. The Applicant and the Customer for the Project may be the same person, or different persons, subject to the eligibility standards in the Solicitation and Enrollment Process Rules for Small-Scale Solar Projects (“Rules”) and this Tariff.

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

The Applicant is required to complete and update, as appropriate, the Application information for the Project, including but not limited to: the Project owner, the Customer, the ~~electric service account~~Bill Credit Recipient, and the recipient of Performance-Based Incentive Payments. Also, an Applicant may designate a successor Applicant for the Project. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of the Project comply with the terms of the Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

## 2. Definitions

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

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

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- ~~h.l.~~ On-Site Use: the amount of energy used at a Customer's service location during a billing period that may be delivered by the Company, or supplied by the Project, or both.
- ~~i.m.~~ Performance-Based Incentive: the standard price per kilowatt-hour ("kWh") recommended by the Board and approved by the Commission that is applicable to the output of a Project when the Applicant has been awarded a Certificate of Eligibility, pursuant to the Solicitation and Enrollment Process Rules.
- ~~j.n.~~ Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- ~~k.o.~~ Project: a solar photovoltaic electricity generating facility that meets the eligibility requirements of the Rules and this Tariff, that is located in the Company's service territory, and that is interconnected with the Company's electric distribution system at a residential service location.
- ~~l.p.~~ Renewable Energy Certificate ("REC"): an electronic record produced by the New England Power Pool Generation Information System ("NEPOOL-GIS") that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.
- q. Renewable Energy Certificate Market Price: a per kWh value that represents the Company's Average Compliance Year New Renewable Energy Resource REC Cost as noted in the Company's most recent Renewable Energy Standard Charge and Reconciliation filing with the Commission.
- r. Shared Solar Facility: a single Small-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 6. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
- ~~m.s.~~ SolarWise Program: an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encourages the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursue greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- ~~n.t.~~ Solicitation and Enrollment Process Rules for Small-Scale Solar Projects: the rules that govern the solicitation, enrollment, and award processes for the RE Growth Program applicable to Customers, established pursuant to Chapter 26.6, and approved by the Commission.
- u. Standard DG Project: a Project that is not classified as a Shared Solar Facility.

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### 3. Project Segmentation

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

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

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

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

### 4. Metering

- a. The Company shall install a Company-owned meter on all Projects for the purpose of measuring the output of the Project. The meter for the Project shall be wired in parallel with and be adjacent to the existing service meter.
- b. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain, and replace the meter(s).

THE NARRAGANSETT ELECTRIC COMPANY  
RENEWABLE ENERGY GROWTH PROGRAM FOR RESIDENTIAL CUSTOMERS

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

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

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

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

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

Zero Energy Building Tariff Provision: An Applicant with either a Standard DG Project or a Shared Solar Facility may opt to buy back the RECs from the Company. Under this election, the Applicant's Performance-Based Incentive Payment will be reduced by the Company's current Renewable Energy Certificate Market Price. The Company will then transfer the purchased RECs to a non-compliance account within the NEPOOL GIS, and will retire such RECs at the end of the Renewable Energy Standard compliance year. The Company will not use purchased RECs for any compliance purposes or sell such RECs to other parties.

**6. Performance-Based Incentive Payment**

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a. Eligibility

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

As a condition for receiving monthly payments pursuant to Section 6.c, the Applicant must provide confirmation of the following: (1) the Company's written authority to interconnect to its electric distribution system and the Applicant's payment of all amounts due, as assessed by the Company; (2) Commission certification of the Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard and NEPOOL-GIS asset registration; as demonstrated by the Applicant's completion of the Renewable Energy Certificate Assignment and Aggregation Form; and (3) the Customer's-Bill Credit Recipient(s) associated electric service account is not in arrears and ~~the Customer~~ is current on any approved payment plan. Applicants qualified for Solar Bonus Payments must complete the requisite energy efficiency measures prior to receiving payment under this Tariff.

b. Performance-Based Incentive

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

If applicable, the Performance-Based Incentive may be adjusted to reflect the 1) Applicant's purchase of RECs pursuant to Section 5; and 2) SolarWise Bonus payments pursuant to Section 6.d.

c. Performance-Based Incentive Payment

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

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

1) Bill Credit Recipients

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

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient’s designated percentage allocation of the kWh output or the Bill Credit Recipient’s on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient’s Maximum Annual Limit defined as the Bill Credit Recipient’s three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the Maximum Annual Limit will be estimated initially. The Maximum Annual Limit may be requested to be reset once a total of three (3) years of billing history are available.

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

The ~~Bill Credit Recipient’s~~~~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 applies to the ~~Customer’s~~~~Bill Credit Recipient’s~~ retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the ~~Customer’s~~~~Bill Credit Recipient’s~~ bill. The Bill Credit will appear as a separate line item on the ~~Customer’s~~~~Bill Credit Recipient’s~~ bill.

$$BC = \text{ALLOCO\textcircled{S}U} \times (DCHG + SOS)$$

Where:

$$BC = \text{Bill Credit}$$

$$\text{ALLOCO\textcircled{S}U} = \text{Bill Credit Recipient’s allocated generated kWh as determined per Section 6.c.2).i. ~~On-Site Use kWh at the lesser of 1) the On-Site Use measured in kWh for the applicable billing month, or 2) the Project’s output measured in kWh for the applicable billing month.~~}$$

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- DCHG = the sum of all retail delivery service per-kWh charges applicable to the ~~Customer's Bill Credit Recipient'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 Residential Standard Offer Service charge 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 less the sum of the Bill Credits for all Bill Credit Recipients will be paid in the form a check (or by other agreed-upon means) to the recipient as identified on the Application. The ~~Customer Bill Credit Recipient(s)~~ will be responsible for paying any balance due on their individual electric bills in accordance with the Terms and Conditions for Distribution Service.

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, ~~each the Bill Credit Recipient 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 charge, excluding the customer charge and any applicable taxes. There will be no additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipient(s) Customer or the recipient identified on the Application.

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

d. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Tier are eligible to receive SolarWise Bonus Payments. Applicants with a Shared Solar Facility may be eligible to receive SolarWise Bonus payments provided that the Customer associated with the Shared Solar Facility has qualified for the SolarWise Bonus. The Bonus Tier will be determined by the energy savings estimate achieved by the Customer, but all Bill Credit Recipients of a Shared Solar Facility must have received an energy efficiency audit through the Company's Energy Efficiency Program. The PBI payments pursuant to Section 6.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

~~Bill credits will be applied to the billing account of the customer that received the energy efficiency audit and must be located at the same premise at which the solar DG Project is installed.~~ All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the Customer at that location minus the estimated annual electric energy (kWh) savings from the

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realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

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

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

**7. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.
- b. The Applicant is required to comply with the Company's Standards for Connecting Distributed Generation.
- c. To be eligible to receive Renewable Net Metering Credits and Excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, the Project and the Customer must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of all costs it incurs to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.

**8. Dispute Resolution**

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

**9. Termination**

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

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

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

**10. Statutory Authority**

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

Effective Date: April 1, ~~2016~~2017

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

REDLINED VERSION

Third Tariff Supplement to RIPUC No. 2151-C  
Sheet 2

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

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

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

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

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



**THE NARRAGANSETT ELECTRIC COMPANY  
D/B/A NATIONAL GRID  
RIPUC DOCKET NO. 6894  
2017 RE GROWTH PROGRAM  
WITNESS: IAN SPRINGSTEEL**

**Schedule IS-4**

**RIPUC No. 2152-C Renewable Energy Growth Program for Non-Residential Customers**

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers

## 1. Introduction

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

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

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

The Applicant is required to update the Application information for the DG Project, including but not limited to information concerning: the DG Project owner, the Customer, the Bill Credit Recipient(s), and the recipient of Performance-Based Incentive Payments. Also, an Applicant may designate a successor Applicant for a DG Project under this Tariff with notice to the Company and without the consent of the Company. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the DG Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of a DG Project comply with the terms of the Company’s Solicitation and Enrollment Process Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

## 2. Definitions

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

- a. Applicant: the person or entity with legal authority to enroll the DG Project in the RE Growth program, and with the obligation to ensure that all aspects of the DG Project comply with the Rules.
- b. Application: the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. Bill Credit: means a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to On-Site Use subject to the eligibility requirements and provisions of Section 8.
- d. Bill Credit Recipient: a Customer receiving retail delivery service pursuant to one of the Company’s retail delivery service rate schedules, and which is eligible to receive Bill Credits from a Community

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers

Remote Distributed Generation System, a Shared Solar Facility, or Standard DG Project pursuant to the eligibility rules in Section 8. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any applicable electric service, payment plans or agreements, including but not limited to meeting all obligations under an interconnection service agreement.

- e. Board: the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.
- f. Ceiling Price: the bidding price cap applicable to an enrollment in a given Renewable Energy Class and Program Year. Ceiling prices will be recommended by the Board and approved by the Commission.
- g. Certificate of Eligibility: written notice by the Company or Commission that a DG Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a DG Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.
- h. Commercial-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 250 kilowatts (250 kW) but less than 1 megawatt (1 MW).
- i. Commission: the Rhode Island Public Utilities Commission.
- j. Community Remote Distributed Generation System: a distributed generation facility with a nameplate capacity greater than two hundred fifty kilowatts (250 kW) and which allocates Bill Credits for each kilowatthour (kWh) generated to a minimum of three (3) eligible recipient customer accounts pursuant to the rules specified in Section 8. The Community Remote Distributed Generation System may be owned by the same entity that is the Applicant, the Customer, or another party.
- k. Company: The Narragansett Electric Company d/b/a National Grid.
- l. Customer: a customer receiving retail delivery service pursuant to one of the Company's non-residential retail delivery service rate schedules and listed as the customer-of-record on the billing account associated with the service location. The Customer may be the Applicant, a Bill Credit Recipient or a third party.
- m. Customer Payment/Credit Transfer Form: means a form submitted by the Applicant prior to the commercial operation date of the DG Project, and updated periodically as necessary, containing all required information necessary to process monthly Performance-Based Incentive Payments and Bill Credits.
- n. DG Project: a distinct installation of an electrical generation facility that is located in the Company's service territory, is connected to the Company's electric distribution system, and has a nameplate capacity no greater than five megawatts (5 MW) using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels.

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers

- o. ISO-New England, Inc. (“ISO-NE”): the Independent System Operators of New England, Inc., established in accordance with the NEPOOL Agreement and applicable Federal Energy Regulatory Commission approvals, which is responsible for managing the bulk power generation and transmission systems in New England.
- p. Large DG Project: a DG Project with a nameplate capacity that exceeds the size of a Small DG Project in a given year, but is no greater than five megawatts (5 MW) nameplate capacity.
- q. Large-Scale Solar Project: a solar DG Project with a nameplate capacity of one megawatt (1 MW) or greater and up to and including five megawatts (5 MW).
- r. Medium-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 25 kilowatts (25 kW) and up to and including 250 kilowatts (250 kW).
- s. Nameplate Capacity: the maximum rated output or gross output of a DG Project. For a solar DG Project, it is the total rated power output of all the DG Project’s panels, measured in direct current.
- t. Office: the Rhode Island Office of Energy Resources.
- u. On-Site Use: the amount of energy used at a Customer or Bill Credit Recipient service location during a billing period that may be delivered by the Company, or supplied by the DG Project, or both.
- v. Output Certification: certification provided by an independent engineer (licensed Professional Engineer) stating that construction of both the DG Project and the interconnection facilities is complete in all material respects, that the metering has been installed and tested, that the Nameplate Capacity is as on the Certificate of Eligibility, and that the DG Project is capable of producing at least 90% of the maximum hourly output specified on the Certificate of Eligibility.
- w. Performance-Based Incentive: either a standard or competitively bid price per kilowatt-hour (“kWh”) that is applicable to the output of a DG Project when the Applicant has been awarded a Certificate of Eligibility, pursuant to the Rules.
- x. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- y. Renewable Energy Classes: categories for different renewable energy technologies using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels specified in § 39-26-2(6).
- z. Renewable Energy Certificate (“REC”): an electronic record produced by the New England Power Pool Generation Information System (“NEPOOL-GIS”) that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.

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- aa. Renewable Energy Certificate Market Price: means a per kWh value that represents the Company's Average Compliance Year New Renewable Energy Resource REC Cost as noted in the Company's most recent Renewable Energy Standard Charge and Reconciliation filing with the Commission.
- bb. Shared Solar Facility: a single Small-Scale or Medium-Scale Solar Project that must allocate Bill Credits to at least two (2) and no more than fifty (50) accounts pursuant to the rules specified in Section 8. The Shared Solar Facility may be owned by the same entity that is the Applicant, the Customer, or another party.
- cc. Small-Scale Solar Project: a solar DG Project with a nameplate capacity of up to and including 25 kilowatts (25 kW).
- dd. Small DG Project: either: (1) a Small-Scale Solar Project; (2) a Medium-Scale Solar Project; (3) a wind DG Project with a nameplate capacity of at least fifty kilowatts (50 kW) up to one and one-half megawatts (1.5 MW); or (4) a DG Project using renewable energy resources other than solar and wind, with a nameplate capacity to be determined by the Board, but no greater than one megawatt (1 MW).
- ee. SolarWise Program: an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encourages the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursue greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.
- ff. Solicitation and Enrollment Process Rules: the rules governing the solicitation, enrollment, and award processes for the RE Growth Program for Non-Residential Customers, established pursuant to Chapter 26.6, and approved by the Commission.
- gg. Standard DG Project: a project that is not classified as either a Shared Solar Facility or a Community Remote Distributed Generation System.
- hh. Station Service: energy used to operate auxiliary equipment and other load that is directly related to the production of energy by a DG Project.

3. **Performance Guarantee Deposit**

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

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

4. **Interconnection**

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

## 5. Project Segmentation

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

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

- i. The DG Projects use different renewable energy resources; or
- ii. The DG Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one DG Project and the commencement of construction of any additional DG Project.
- iii. DG Projects installed on contiguous parcels will not be considered segmented if they serve different Non-Residential Customers and both Customers receive bill credits under Option 2 as defined in Section 8.c.

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

## 6. Metering

- a. A Company-owned interval meter must be installed on all DG Projects that are enrolled in the RE Growth Program for the purpose of measuring and reporting the output of the DG Project. In the event that there is an existing service location with an existing meter, the meter for the DG Project shall be wired in parallel with, and be adjacent to, the existing service meter. In the event an existing

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service meter is present, the existing service meter will be exchanged for an interval meter by the Company at the Applicant's expense.

- b. For Medium-Scale Solar Projects, Commercial-Scale Solar Projects, Large-Scale Solar Projects, and DG Projects of other eligible technologies, the Applicant is responsible for the cost of a revenue-quality interval meter and associated metering equipment, including required remote communication for measuring and reporting the output of the DG Project as well as any existing service meter. An Applicant may elect to supply the meter and associated equipment provided that it conforms to the Company's metering standards and the Rhode Island Division of Public Utilities and Carriers ("Division") Rules for Prescribing Standards for Electric Utilities, as may be amended from time to time. At the request of the Applicant, the Company will provide the required interval meter and associated equipment, subject to the Company having such equipment available and the Applicant reimbursing the Company for its cost.
- c. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain and replace the meter(s), if applicable.

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

- a. Prior to receiving compensation pursuant to Section 8 of this Tariff, an Applicant, at its own cost, must obtain Commission certification of a DG Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.
- b. For the term specified in the applicable Tariff supplement, the Company shall have the irrevocable rights and title to the following products produced by the DG Project: (1) RECs; (2) energy; and (3) any other environmental attributes or market products associated with the sale of energy or energy services produced by the DG Project, provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project at any time after it is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules. Environmental attributes shall include any and all generation attributes or energy services established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the DG Project during the term of service specified on the applicable Tariff supplement.

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

Small-Scale Solar Projects shall provide all necessary information to, and cooperate with, the Company to enable the Company to obtain the appropriate asset identification for reporting generation to the NEPOOL-GIS for the creation of RECs and direct all

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RECs from the DG Project to the Company's appropriate NEPOOL-GIS account. The Applicant will provide approvals or assignments, including, but not limited to, completing the Renewable Energy Certificate Assignment and Aggregation Form, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

- (2) **Energy:** Except for Small-Scale Solar Projects, energy must be delivered to the Company in the Company's ISO-NE load zone at the delivery node associated with the DG Project. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary generation asset.
- (3) **Capacity:** The Company may qualify the DG Project as an Existing Capacity Resource in the Forward Capacity Market ("FCM") after the Commercial Operation Date to participate in the FCM, as determined by the Company, in consultation with the Division. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary capacity asset. Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.
- (4) **Zero Energy Building Tariff Provision:** An Applicant with a Standard DG Project or a Shared Solar Facility may opt to buy back the RECs from the Company. Under this election, the Applicant's Performance-Based Incentive Payment will be reduced by the Company's current Renewable Energy Certificate Market Price. The Company will then transfer the purchased RECs to a non-compliance account within the NEPOOL GIS and will retire such RECs at the end of the Renewable Energy Standard compliance year. The Company will not use purchased RECs for any compliance purposes or sell such RECs to other parties.

## 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. Small-Scale Solar Projects can demonstrate completion of items 2 and 3 by the completion of the Renewable Energy Certificate Assignment and Aggregation Form. If an Applicant or Customer is no longer in good standing with regard to payment plans or agreements, if applicable, and other obligations to the Company (including but not limited to meeting all obligations under an interconnection service agreement), the Company may withhold payments under this

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Tariff. In addition, all Bill Credit Recipient(s) must remain in good standing with regard to the electric service account(s) receiving Bill Credits pursuant to this tariff, or the Company may withhold Bill Credits until such an account is again in good standing.

b. Performance-Based Incentive

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

The Performance-Based Incentive for Small-Scale Solar 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.

If applicable, the Performance-Based Incentive may be adjusted to reflect 1) Applicant's purchase of RECs pursuant to Section 7.b.(4); and 2) SolarWise Bonus payments pursuant to Section 8.e.

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

c. Performance Based Incentive Payment for Standard DG Projects and Shared Solar.

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have been awarded a Certificate of Eligibility for a DG Project will receive Performance-Based Incentive Payments in accordance with the rules specified in this section. Except for Shared Solar Facilities, Applicants may choose to receive Performance-Based Incentive Payments in the form of either cash or a combination of cash and Bill Credits. Shared Solar Facilities will receive Performance-Based Incentive Payments as a combination of cash payments and Bill Credits. Applicants will be responsible for designating Bill Credit Recipient billing account(s), and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For DG Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

- 1) Bill Credit Recipients
  - i. Standard DG Projects are not required to designate a Bill Credit Recipient. However, if Standard DG Projects choose to designate a Bill Credit Recipient, they may designate only the Customer as the sole Bill Credit Recipient.

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- ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
- iii. Shared Solar Bill Credit Recipients must be in the same customer class (i.e. Residential or Non-Residential) but may be in different retail delivery service rate classes.
- iv. The Bill Credit Recipients of standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcels of land as the DG Project. Properties that are separated by a public way will not be considered to be adjacent. Applicants who operate a Shared Solar Facility on behalf of a Public Entity may designate Bill Credit Recipients without regard to physical location so long as the Shared Solar Facility's and Bill Credit Recipient's points of service, which must all belong to the same municipality or public entity, are located within the same municipality.
- v. The Applicant may make changes to the Bill Credit Recipients of a Shared Solar facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's maximum annual limit, which is defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. A Bill Credit Recipient may request that the Company reset its three (3) year annual average use once three (3) years of billing history is available.

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

Before a DG Project begins to operate, an Applicant must notify the Company of the manner by which it will be compensated for its output under one of the two options below. Applicants with Shared Solar Facilities must select Option 2. Standard DG Projects may select Option 2 only if the DG Project can be configured to serve on-site load. If the Applicant selects Option 2, the DG Project must be reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Customer's On-Site Use or the aggregate On-site Use of all Bill Credit Recipients if the DG Project is a Shared Solar Facility, as measured over the previous three (3) years at the electric service account located at the Customer or Bill Credit Recipient's service location(s); 2) the annualized On-Site Use over the period of service to the Customer or Bill Credit Recipient's service location(s) if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the DG Project is located at a new service location. The Applicant may change the selection only one time after

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the DG Project begins to operate provided that the Applicant gives the Company no less than 60 days' notice to implement the change. Additional changes to the method of compensation may be allowed at the discretion of the Company. The options are:

1. Option 1: Direct payment of the entire Performance-Based Incentive Payment in the form of a check or such other payment method that is mutually agreed upon by the Company and the Applicant; or
2. Option 2: A combination of direct payment and Bill Credit Recipient Bill Credits.

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

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

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

Where:

BC = Bill Credit

ALLOC (kWh) = Bill Credit Recipient's allocated generated kWh as determined per Section 8.c.(2)(i).

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

If the sum of the Bill Credits in a given month exceeds the Performance-Based Incentive Payment, the Bill Credit Recipients shall receive the full amount of the Bill Credit, which will not exceed the total of the per kWh delivery service charges and applicable Standard Offer Service charges, excluding the customer charge and any applicable taxes. There will be no

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additional amounts related to the calculation of the Performance-Based Incentive Payment charged or credited to the Bill Credit Recipients or the recipient identified on the Application.

d. Performance-Based Incentive Payment for Community Remote Distributed Generation Systems

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have received a Certificate of Eligibility for a Community Remote Distributed Generation System will receive Performance-Based Incentive Payments in the form of Bill Credits applicable to a minimum of three (3) eligible Bill Credit Recipients and residual cash payments. Applicants will be responsible for designating Bill Credit Recipient billing accounts and other required information on the Customer Payment/Credit Transfer Form prior to the commercial operation date of the DG Project. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

1) Bill Credit Recipient Accounts

- i. No more than fifty percent (50%) of the kWh generated by the DG Project may be allocated to a single Bill Credit Recipient.
- ii. At least fifty percent (50%) of the kWh generated by the DG Project must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system.
- iii. Provided that the conditions specified in (i) and (ii) above have been met, there is no limit to the number of Bill Credit Recipients that may receive Bill Credits from the DG Project. However, the aggregate kWh transferred to Bill Credit Recipients during a 12-month period, may not exceed the aggregate three (3) year average on site use of the Bill Credit Recipients. For Bill Credit Recipients that have less than three (3) years of actual on-site use, a projection of annual on-site use may be used until the actual three (3) year average on-site use becomes available for use in determining the number of eligible Bill Credit Recipients.
- iv. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Applicant must specify each Bill Credit Recipient's percentage share of the DG Project's output on the Customer Payment/Credit Transfer Form.
- ii. On a monthly basis, and in the aggregate, generated kWh may be allocated to Bill Credit Recipients up to the amount of available generated kWh.
- iii. Generated kWh available to allocate during a month is equal to the current month's generated kWh plus any generated kWh not allocated during prior months.

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- iv. Allocation of generated kWh to Bill Credit Recipient accounts in any billing month will not exceed each individual Bill Credit Recipient’s on-site use during that month.
- v. If available aggregate generated kWh is greater than the sum of the Bill Credit Recipients’ on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their monthly use, subject to the Bill Credit Recipient’s annual maximum limit.
- vi. If available aggregate generated kWh is less than the sum of the Bill Credit Recipients’ on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their designated percentage share of generator output, subject to the Bill Credit Recipient’s annual maximum limit.
- vii. Bill Credit Recipients will receive monthly kWh allocations as long as the cumulative annual allocation is less than the Bill Credit Recipient’s maximum annual limit.
- viii. Each Bill Credit Recipient’s maximum annual allocation limit will be that Bill Credit Recipient’s three (3) year annual average on-site use. For Bill Credit Recipient accounts that have not established a three-year on-site usage history, the maximum annual allocation limit will be estimated initially. Bill Credit Recipients may request that the Company reset their three (3) year annual average once three (3) years of billing history is available.
- ix. Unallocated generated kWh for each month will be calculated as the monthly generated kWh less the sum of the generated kWh allocated to the Bill Credit Recipients for the month. Unallocated generated kWh will be cumulated on an annual basis and the cumulative unallocated generated kWh calculated for each month will be used to increase or decrease the available generated kWh for the subsequent month within the program year. Any unallocated kWh remaining at the end of the program year will be paid to the designated cash recipient pursuant to Section 8.d.3.
- x. Each Applicant may change the specified Bill Credit Recipients associated with a CRDG facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

3) Calculation of Bill Credits Applicable to Bill Credit Recipients:

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

$$BC = \text{ALLOC (kWh)} \times \text{Bill Credit Rate}$$

Where:

$$BC = \text{Bill Credit}$$

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ALLOC (kWh) = Bill Credit Recipient's allocated generated kWh as determined per Section 8.d.2.

BILL CREDIT RATE = a per kWh rate used to calculate each Bill Credit Recipient's monthly Bill Credit that may be either a fixed per kWh rate determined by the Applicant or the Default Bill Credit Rate. The Bill Credit Rate must be specified on the Customer Payment/Credit Transfer Form. The Default Bill Credit Rate is defined as the sum of the Standard Offer Service Rate, the Standard Offer Service Adjustment Factor, the Standard Offer Service Administrative Cost Adjustment Factor, the Transmission Service Cost Adjustment Factor, and the Non-bypassable Transition Service Charge, applicable to the Bill Credit Recipient's rate schedule in effect at the time of the application of the monthly Bill Credit to the Bill Credit Recipient's account. The fixed Bill Credit Rate must be equal to or less than the Default Bill Credit Rate in effect at the time that the Bill Credit Recipient's account information is submitted by the Applicant on the Customer Payment/Credit Transfer Form. The selection of the fixed or Default Bill Credit Rate applicable to each Bill Credit Recipient may not be changed once the initial selection is made.

4) Payment of Residual Performance-Based Incentive Payment

- i. Cash payment to the Applicant or designated payment recipient for each month will be as follows:

$$\text{Cash Payment} = \text{Performance-Based Incentive Payment} - (\text{sum of Bill Credit Recipient Bill Credits}) - (\text{Unallocated Bill Credits})$$

Where

Unallocated Bill Credit = the unallocated generated kWh multiplied by the Default Bill Credit Rate applicable to the Applicant's rate class

- ii. Any unallocated generated kWh remaining at the end of the Program Year will be valued at the average ISO-NE Locational Marginal Pricing rate that was realized by the settlement of the output with ISO-NE over the course of the year and will be paid to the designated payment recipient in a lump sum.
- e. SolarWise Program

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Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Award are eligible to receive SolarWise Bonus payments. Applicants with a Shared Solar Facility may be eligible to receive SolarWise Bonus payments provided that the Customer has applied for and received approval for a SolarWise Bonus Tier. Applicants with a Community Remote Distributed Generation Facility are ineligible to participate in the SolarWise Program. The Bonus Tier will be determined by the energy savings Bonus Tier achieved by the Customer, but all Bill Credit Recipients of a Shared Solar Facility must have received an energy efficiency audit through the Company's Energy Efficiency Program. The PBI payments pursuant to Section 8.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

Payments under the appropriate SolarWise Bonus Tier will be made pursuant to Option 2 described above. All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

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

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

The Company reserves the right to audit customers for compliance with commitments made to qualify for SolarWise Bonus Payments. If the requisite energy efficiency measures are not complete within twelve (12) months of the SolarWise application approval, the Company may withdraw the Bonus Payment approval and the Tariff payments will revert to the applicable standard PBI without the SolarWise Bonus payment.

## 9. Other Company Tariff Requirements

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.

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- b. The Applicant is required to comply with Company's Standards for Connecting Distributed Generation.
- c. To be eligible to receive Renewable Net Metering Credits or excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, a DG Project and a Customer receiving credits from such a facility must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of costs incurred to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.

#### 10. **Dispute Resolution**

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

#### 11. **Termination Provisions**

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

Only the DG Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a DG Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a DG Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, or the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, the Company may, after notifying the Customer or Applicant in writing of such non-compliance and providing the Customer or Applicant a reasonable period to remedy such non-compliance and the violation persists, request the Commission to review the non-compliance and determine appropriate action, which may include requiring the Customer or Applicant to comply with the applicable provision being violated or revoking the Customer's or Applicant's Certificate of Eligibility.

#### 12. **Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws. § 39-26.6-10. All revisions to the Tariff will be filed annually by November 15. Tariff supplements will be filed annually and following each scheduled RE Growth Program enrollment, as necessary. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

Effective Date: April 1, 2017

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

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

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance –Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years
Medium-Scale Solar	26 to 250 kW	24.40¢	20 years

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

Renewable Energy Class	Ceiling Price	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Commercial-Scale Solar	20.95¢						20 years
Large-Scale Solar	16.70¢						20 years
Wind I (1.5MW to 2.99MW) with Investment Tax Credit	18.40¢						20 years
Wind I (1.5MW to 2.99MW) with Production Tax Credit	19.85¢						20 years
Wind I (1.5MW to 2.99MW) with No Federal Tax Incentives	22.75¢						20 years
Wind II (3.0MW to 5.0MW) with Investment Tax Credit	18.20¢						20 years
Wind II (3.0MW to 5.0MW) with Production Tax Credit	19.45¢						20 years
Wind II (3.0MW to 5.0MW) with No Federal Tax Incentives	22.35¢						20 years
Anaerobic Digestion (150kW to 1,000kW) with Production Tax Credit	20.20¢						20 years

Effective Date: April 1, 2015

Issue Date: August 12, 2016

The Narragansett Electric Company  
Renewable Energy Growth Program for Non-Residential Customers  
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Program Year: April 1, 2015 through March 31, 2016

Renewable Energy Class	Ceiling Price	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Anaerobic Digestion (150kW to 1,000kW) with No Federal Tax Incentives	20.60¢						20 years
Small-Scale Hydropower I (10kW to 250kW) with Production Tax Credit	19.80¢						20 years
Small-Scale Hydropower I (10kW to 250kW) with No Federal Tax Incentives	21.35¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) with Production Tax Credit	18.55¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) with No Federal Tax Incentives	20.10¢						20 years

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

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years
Medium-Scale Solar (including ITC/PTC & Bonus Depreciation)	26 to 250 kW	22.55¢	23.68¢	24.81¢	n/a	n/a	20 years

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Renewable Energy Class	Ceiling Price (per kWh)	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Commercial-Scale Solar (including ITC/PTC & Bonus Depreciation)	19.30¢						20 years
Large-Scale Solar (including ITC/PTC & Bonus Depreciation)	15.10¢						20 years
Wind I (1.5MW to 2.99MW) (including ITC/PTC & Bonus Depreciation)	18.75¢						20 years
Wind II (3.0MW to 5.0MW, 2-turbine) (including ITC/PTC & Bonus Depreciation)	18.00¢						20 years
Wind III (3.0MW to 5.0MW, 3-turbine) (including ITC/PTC & Bonus Depreciation)	17.40¢						20 years
Anaerobic Digestion I (150kW to 500 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢						20 years
Anaerobic Digestion II (10kW to 250 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢						20 years
Small-Scale Hydropower I (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	18.65¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	17.45¢						20 years

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

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	34.75¢	36.49¢	38.23¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	30.85¢	32.39¢	33.94¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	27.05¢	n/a	n/a	27.59¢	28.13¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.05¢	n/a	n/a	24.53¢	25.01¢	20 years
Small-Scale Solar II	11 to 25 kW	27.75¢	29.14¢	30.53¢	n/a	n/a	20 years

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Renewable Energy Class	System Size	Ceiling Price/ Standard Performance-Based Incentive (per kWh)	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/ Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	27.75¢	n/a	n/a	28.31¢	28.86¢	20 years
Medium-Scale Solar	26 to 250 kW	22.75¢	23.89¢	25.03¢	n/a	n/a	20 years

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

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Renewable Energy Class	Ceiling Price (per kWh)	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Commercial-Scale Solar	18.75¢						20 years
Commercial-Scale Solar - CRDG	20.65¢						20 years
Large-Scale Solar	15.05¢						20 years
Large-Scale Solar – CRDG	16.85¢						20 years
Small Wind (10 to 999 kW)	21.45¢						20 years
Wind I (1.0MW to 2.99MW)	19.45¢						20 years
Wind I (1.0MW to 2.99MW) – CRDG	20.65¢						20 years
Wind II (3.0MW to 5.0MW, 2-turbine)	18.25¢						20 years

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Renewable Energy Class	Ceiling Price (per kWh)	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Wind II (3.0MW to 5.0MW, 2-turbine) CRDG	19.35¢						20 years
Wind III (3.0MW to 5.0MW, 3-turbine)	17.35¢						20 years
Wind III (3.0MW to 5.0MW, 3-turbine) CRDG	18.55¢						20 years
Anaerobic Digestion I (150kW to 500 kW)	20.15¢						20 years
Anaerobic Digestion II (501kW to 1,000 kW)	20.15¢						20 years
Small-Scale Hydropower I (10kW to 250kW)	22.45¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW)	22.45¢						20 years

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

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## 1. Introduction

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

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

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

The Applicant is required to update the Application information for the DG Project, including but not limited to information concerning: the DG Project owner, the Customer, the ~~electric service account~~ [Bill Credit Recipient\(s\)](#), and the recipient of Performance-Based Incentive Payments. Also, an Applicant may designate a successor Applicant for a DG Project under this Tariff with notice to the Company and without the consent of the Company. The Applicant may, but need not be, the same person or entity to pursue the interconnection of the DG Project with the Company’s electric distribution system. The Applicant maintains the obligation to ensure that all aspects of a DG Project comply with the terms of the Company’s Solicitation and Enrollment Process Rules and this Tariff. Upon notice to the Company, the Applicant may transfer the compensation under this Tariff to another person or entity without the consent of the Company.

## 2. Definitions

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

- a. Applicant: the person or entity with legal authority to enroll the DG Project in the RE Growth program, and with the obligation to ensure that all aspects of the DG Project comply with the Rules.
- b. Application: the RE Growth Program Enrollment short form application submitted by the Applicant.
- c. [Bill Credit: means a monthly billing account credit that allows eligible recipients to offset electric service charges applicable to On-Site Use subject to the eligibility requirements and provisions of Section 8.](#)
- d. [Bill Credit Recipient: a Customer receiving retail delivery service pursuant to one of the Company’s retail delivery service rate schedules, and which is eligible to receive Bill Credits from a Community](#)

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Remote Distributed Generation System, a Shared Solar Facility, or Standard DG Project pursuant to the eligibility rules in Section 8. The Bill Credit Recipient must be in good standing on its electric service accounts with the Company and on any applicable electric service, payment plans or agreements, including but not limited to meeting all obligations under an interconnection service agreement.

~~e.e.~~ Board: the Distributed Generation Board established pursuant to R.I. Gen. Laws § 39-26.2-10 and having expanded responsibilities under Chapter 26.6.

~~d.f.~~ Ceiling Price: the bidding price cap applicable to an enrollment in a given Renewable Energy Class and Program Year. Ceiling prices will be recommended by the Board and approved by the Commission.

~~e.g.~~ Certificate of Eligibility: written notice by the Company or Commission that a DG Project has been enrolled in the RE Growth Program. Upon an award of a Certificate of Eligibility, a DG Project will be entitled to receive Performance-Based Incentive Payments for a specified term, pursuant to the terms and conditions of the applicable Tariff supplement.

~~f.h.~~ Commercial-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 250 kilowatts (250 kW) but less than 1 megawatt (1 MW).

~~g.i.~~ Commission: the Rhode Island Public Utilities Commission.

j. Community Remote Distributed Generation System: a distributed generation facility with a nameplate capacity greater than two hundred fifty kilowatts (250 kW) and which allocates Bill Credits for each kilowatt-hour (kWh) generated to a minimum of three (3) eligible recipient customer accounts pursuant to the rules specified in Section 8. The Community Remote Distributed Generation System may be owned by the same entity that is the Applicant, the Customer, or another party.

~~h.k.~~ Company: The Narragansett Electric Company d/b/a National Grid.

~~i.l.~~ Customer: a customer receiving retail delivery service pursuant to one of the Company's non-residential retail delivery service rate schedules and listed as the customer-of-record on the billing account associated with the service location. The Customer may be the Applicant, a Bill Credit Recipient or a third party.

m. Customer Payment/Credit Transfer Form: means a form submitted by the Applicant prior to the commercial operation date of the DG Project, and updated periodically as necessary, containing all required information necessary to process monthly Performance-Based Incentive Payments and Bill Credits.

~~i.n.~~ DG Project: a distinct installation of an electrical generation facility that is located in the Company's service territory, is connected to the Company's electric distribution system, and has a nameplate capacity no greater than five megawatts (5 MW) using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels.

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- ~~j~~.o. ISO-New England, Inc. (“ISO-NE”): the Independent System Operators of New England, Inc., established in accordance with the NEPOOL Agreement and applicable Federal Energy Regulatory Commission approvals, which is responsible for managing the bulk power generation and transmission systems in New England.
- ~~k~~.p. Large DG Project: a DG Project with a nameplate capacity that exceeds the size of a Small DG Project in a given year, but is no greater than five megawatts (5 MW) nameplate capacity.
- ~~l~~.q. Large-Scale Solar Project: a solar DG Project with a nameplate capacity of one megawatt (1 MW) or greater and up to and including five megawatts (5 MW).
- ~~m~~.r. Medium-Scale Solar Project: a solar DG Project with a nameplate capacity greater than 25 kilowatts (25 kW) and up to and including 250 kilowatts (250 kW).
- ~~n~~.s. Nameplate Capacity: the maximum rated output or gross output of a DG Project. For a solar DG Project, it is the total rated power output of all the DG Project’s panels, measured in direct current.
- ~~o~~.t. Office: the Rhode Island Office of Energy Resources.
- ~~p~~.u. On-Site Use: the amount of energy used at a Customer or Bill Credit Recipient service location during a billing period that may be delivered by the Company, or supplied by the DG Project, or both.
- ~~q~~.v. Output Certification: certification provided by an independent engineer (licensed Professional Engineer) stating that construction of both the DG Project and the interconnection facilities is complete in all material respects, that the metering has been installed and tested, that the Nameplate Capacity is as on the Certificate of Eligibility, and that the DG Project is capable of producing at least 90% of the maximum hourly output specified on the Certificate of Eligibility.
- ~~r~~.w. Performance-Based Incentive: either a standard or competitively bid price per kilowatt-hour (“kWh”) that is applicable to the output of a DG Project when the Applicant has been awarded a Certificate of Eligibility, pursuant to the Rules.
- ~~s~~.x. Program Year: a year beginning April 1 and ending March 31, unless otherwise approved by the Commission.
- ~~t~~.y. Renewable Energy Classes: categories for different renewable energy technologies using eligible renewable energy resources as defined in R.I. Gen. Laws § 39-26-5, including biogas created as a result of anaerobic digestion, but specifically excluding all other listed eligible biomass fuels specified in § 39-26-2(6).
- ~~u~~.z. Renewable Energy Certificate (“REC”): an electronic record produced by the New England Power Pool Generation Information System (“NEPOOL-GIS”) that identifies the relevant generation attributes of each megawatt-hour accounted for in the NEPOOL-GIS.

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aa. Renewable Energy Certificate Market Price: means a per kWh value that represents the Company's Average Compliance Year New Renewable Energy Resource REC Cost as noted in the Company's most recent Renewable Energy Standard Charge and Reconciliation filing with the Commission.

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

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

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

~~ee. SolarWise Program: an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encourages the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursue greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.~~

~~x.ff.~~ Solicitation and Enrollment Process Rules: the rules governing the solicitation, enrollment, and award processes for the RE Growth Program for Non-Residential Customers, established pursuant to Chapter 26.6, and approved by the Commission.

gg. Standard DG Project: a project that is not classified as either a Shared Solar Facility or a Community Remote Distributed Generation System.

y.hh. Station Service: energy used to operate auxiliary equipment and other load that is directly related to the production of energy by a DG Project.

~~aa. SolarWise Program: an energy efficiency and solar program, which, pursuant to RI Gen Laws § 39-26.6-19, encourages the use of residential and non-residential solar photovoltaic equipment by offering extra incentives from the RE Growth Program when customers pursue greater energy efficiency savings through the Energy Efficiency Program Plan, which the Company files pursuant to R.I. Gen. Laws. § 39-1-27.7.~~

### 3. Performance Guarantee Deposit

- a. No later than five (5) business days after a project is offered a Certificate of Eligibility, the Applicant shall submit by wire transfer a Performance Guarantee Deposit ("Deposit") as identified on the Certificate of Eligibility. Upon confirmation of the receipt of the Deposit, the Company shall award the Certificate of Eligibility. Each Deposit shall be no less than \$500.00 and no greater than \$75,000.00. The Deposit shall be calculated as \$15.00 for Small DG Projects or \$25.00 for Large

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DG Projects, multiplied by the estimated RECs to be generated during the DG Project's first year of operation.

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

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being awarded a Certificate of Eligibility to achieve operation at expected availability and capacity and meet all other requirements under this Tariff.

**4. Interconnection**

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

**5. Project Segmentation**

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

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

- i. The DG Projects use different renewable energy resources; or
- ii. The DG Projects use the same renewable energy resource, but they are: (1) electrically segregated; (2) separately metered; and (3) can demonstrate that 24 months have elapsed between the commencement of operation for one DG Project and the commencement of construction of any additional DG Project.
- iii. DG Projects installed on contiguous parcels will not be considered segmented if they serve different Non-Residential Customers and both Customers receive bill credits under Option 2 as defined in Section 8.c.

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

**6. Metering**

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- a. A Company-owned interval meter must be installed on all DG Projects that are enrolled in the RE Growth Program for the purpose of measuring and reporting the output of the DG Project. In the event that there is an existing service location with an existing meter, the meter for the DG Project shall be wired in parallel with, and be adjacent to, the existing service meter. In the event an existing service meter is present, the existing service meter will be exchanged for an interval meter by the Company at the Applicant's expense.
- b. For Medium-Scale Solar Projects, Commercial-Scale Solar Projects, Large-Scale Solar Projects, and DG Projects of other eligible technologies, the Applicant is responsible for the cost of a revenue-quality interval meter and associated metering equipment, including required remote communication for measuring and reporting the output of the DG Project as well as any existing service meter. An Applicant may elect to supply the meter and associated equipment provided that it conforms to the Company's metering standards and the Rhode Island Division of Public Utilities and Carriers ("Division") Rules for Prescribing Standards for Electric Utilities, as may be amended from time to time. At the request of the Applicant, the Company will provide the required interval meter and associated equipment, subject to the Company having such equipment available and the Applicant reimbursing the Company for its cost.
- c. The Company must be provided with adequate access to read the meter(s), and to install, repair, maintain and replace the meter(s), if applicable.

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

- a. Prior to receiving compensation pursuant to Section 8 of this Tariff, an Applicant, at its own cost, must obtain Commission certification of a DG Project as an Eligible Renewable Energy Resource pursuant to the Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard. In addition, the Applicant is required to cooperate with the Company to qualify the DG Project under the renewable portfolio standard or similar law and/or regulation of New York, Massachusetts, and/or one or more New England states and/or any federal renewable energy standard.
- b. For the term specified in the applicable Tariff supplement, the Company shall have the irrevocable rights and title to the following products produced by the DG Project: (1) RECs; (2) energy; and (3) any other environmental attributes or market products associated with the sale of energy or energy services produced by the DG Project, provided, however, that it shall be the Company's choice to acquire the capacity of the DG Project at any time after it is awarded a Certificate of Eligibility by the Commission or the Company pursuant to the Rules. Environmental attributes shall include any and all generation attributes or energy services established by regional, state, federal, or international law, rule, regulation or competitive market or business method that are attributable, now or in the future, to the output produced by the DG Project during the term of service specified on the applicable Tariff supplement.
  - (1) RECs: RECs must be delivered to the Company's appropriate NEPOOL-GIS account. This will be accomplished through registration of the DG Project with the NEPOOL-GIS. If requested by the Company, Applicant will provide approvals or assignments, as

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necessary, to facilitate the DG Project's participation in asset aggregation or other model of asset registration and reporting.

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

- (2) Energy: Except for Small-Scale Solar Projects, energy must be delivered to the Company in the Company's ISO-NE load zone at the delivery node associated with the DG Project. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary generation asset.
- (3) Capacity: The Company may qualify the DG Project as an Existing Capacity Resource in the Forward Capacity Market ("FCM") after the Commercial Operation Date to participate in the FCM, as determined by the Company, in consultation with the Division. As requested by the Company or the ISO-NE, Applicant will provide all necessary information as well as follow all requirements for all applicable market rules needed to set up the necessary capacity asset Applicants are required to take commercially reasonable actions to maximize performance against any FCM Capacity Supply Obligations.
- ~~(3)~~(4) Zero Energy Building Tariff Provision: An Applicant with a Standard DG Project or a Shared Solar Facility may opt to buy back the RECs from the Company. Under this election, the Applicant's Performance-Based Incentive Payment will be reduced by the Company's current Renewable Energy Certificate Market Price. The Company will then transfer the purchased RECs to a non-compliance account within the NEPOOL GIS; and will retire such RECs at the end of the Renewable Energy Standard compliance year. The Company will not use purchased RECs for any compliance purposes or sell such RECs to other parties.

## 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

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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. Small-Scale Solar Projects can demonstrate completion of items 2 and 3 by the completion of the Renewable Energy Certificate Assignment and Aggregation Form. If an Applicant or Customer is no longer in good standing with regard to payment plans or agreements, if applicable, and other obligations to the Company (including but not limited to meeting all obligations under an interconnection service agreement), the Company may withhold payments under this Tariff. In addition, all Bill Credit Recipient(s) must remain in good standing with regard to the electric service account(s) receiving Bill Credits pursuant to this tariff, or the Company may withhold Bill Credits until such an account is again in good standing.

b. Performance-Based Incentive

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

The Performance-Based Incentive for Small-Scale Solar 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.

If applicable, the Performance-Based Incentive may be adjusted to reflect 1) Applicant's purchase of RECs pursuant to Section 7.b.(4); and 2) SolarWise Bonus payments pursuant to Section 8.e.

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

c. Performance Based Incentive Payment for Standard DG Projects and Shared Solar.

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

Applicants that have been awarded a Certificate of Eligibility for a DG Project will receive Performance-Based Incentive Payments in accordance with the rules specified in this section. Except for Shared Solar Facilities, Applicants may choose to receive Performance-Based Incentive Payments in the form of either cash or a combination of cash and Bill Credits. Shared Solar Facilities will receive Performance-Based Incentive Payments as a combination of cash payments and Bill Credits. Applicants will be responsible for designating Bill Credit Recipient billing account(s), and each Bill Credit Recipient's percentage share of the generator output on the Customer Payment/Credit Transfer Form. For DG Project sizing requirements, all Bill Credit Recipients must be listed at the time of application. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

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1) Bill Credit Recipients

- i. Standard DG Projects are not required to designate a Bill Credit Recipient. However, if Standard DG Projects choose to designate a Bill Credit Recipient, they may designate only the Customer as the sole Bill Credit Recipient.
- ii. Shared Solar Facilities must designate at least two (2) but no more than fifty (50) Bill Credit Recipients.
- iii. Shared Solar Bill Credit Recipients must be in the same customer class (i.e. Residential or Non-Residential) but may be in different retail delivery service rate classes.
- iv. The Bill Credit Recipients of standard DG Projects must be located on the same parcel of land. Shared Solar Facilities can only share Bill Credits with Bill Credit Recipients on the same or adjacent parcels of land as the DG Project. Properties that are separated by a public way will not be considered to be adjacent. Applicants who operate a Shared Solar Facility on behalf of a Public Entity may designate Bill Credit Recipients without regard to physical location so long as the Shared Solar Facility's and Bill Credit Recipient's points of service, which must all belong to the same municipality or public entity, are located within the same municipality.
- v. The Applicant may make changes to the Bill Credit Recipients of a Shared Solar facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Each Bill Credit Recipient will receive a monthly generated kWh allocation equal to the lesser of the Bill Credit Recipient's designated percentage allocation of the kWh output or the Bill Credit Recipient's on-site load for the applicable billing period. For Bill Credit Recipients of Standard DG Projects, the designated percentage allocation is one hundred (100) percent.
- ii. Each Bill Credit Recipient will receive monthly generated kWh allocations so long as the cumulative annual allocation to each account is less than the Bill Credit Recipient's maximum annual limit, which is defined as the Bill Credit Recipient's three (3) year average on-site use. For Bill Credit Recipients that have not established a three (3) year on-site usage history, the maximum annual limit will be estimated initially. A Bill Credit Recipient may request that the Company reset its three (3) year annual average use once three (3) years of billing history is available.

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

Before a DG Project begins to operate, an Applicant must notify the Company of the manner by which it will be compensated for its output under one of the two options below. Applicants with Shared Solar Facilities must select Option 2. Standard DG Projects~~The Applicant~~ may select Option 2 only if the DG Project can be configured to serve on-site load. If the Applicant selects Option 2, ~~and~~ the DG Project must be is-reasonably designed and sized to produce electricity at an annual level equal to or less than 1) the Customer's On-Site Use; or the aggregate On-site Use of all Bill Credit Recipients if the DG

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Project is a Shared Solar Facility, as measured over the previous three (3) years at the electric service account located at the Customer's or Bill Credit Recipient's service location(s); 2) the annualized On-Site Use over the period of service to the Customer's or Bill Credit Recipient's service location(s) if such service has been provided for less than three years; or 3) a reasonable estimate of annual On-Site Use if the DG Project is located at a new service location. The Applicant may change the selection only one time after 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 Recipient ~~Bill Credits, 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 ~~the Applicant~~ a DG Project selects Option 2, the Performance-Based Incentive Payment shall be provided as follows:

The ~~Customer's~~ Bill Credit Recipient'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~~ Bill Credit Recipient's retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient ~~Customer's~~ bill. The Bill Credit will appear ~~as a separate line item~~ on the Bill Credit Recipient ~~Customer's~~ bill separate from the charges for on-site use.

$$BC = \text{ALLOCO\text{S}U} \text{ (kWh)} \times (\text{DCHG} + \text{SOS})$$

Where:

BC = Bill Credit

ALLOCO\text{S}U (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~~ Bill Credit Recipient's allocated generated kWh as determined per Section 8.c.(2)(i).

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 Bill Credit Recipient's retail delivery service rate class per RIPUC No. 2096, Summary of Standard Offer Service Rates, as may be amended from time to time.

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

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

d. Performance-Based Incentive Payment for Community Remote Distributed Generation Systems

The Performance-Based Incentive Payment will be the fixed per-kWh Performance-Based Incentive, plus any adjustments where applicable, applied to the measured kWh produced by the DG Project, net of any Station Service. Distribution of the Performance-Based Incentive Payment will be in accordance with the rules below.

Applicants that have received a Certificate of Eligibility for a Community Remote Distributed Generation System will receive Performance-Based Incentive Payments in the form of Bill Credits applicable to a minimum of three (3) eligible Bill Credit Recipients and residual cash payments. Applicants will be responsible for designating Bill Credit Recipient billing accounts and other required information on the Customer Payment/Credit Transfer Form prior to the commercial operation date of the DG Project. Bill Credit Recipients will receive an allocation of generated kWh each month for purposes of determining monthly Bill Credits applicable to each Bill Credit Recipient account.

The following rules apply to the administration of Performance-Based Incentive Payments:

1) Bill Credit Recipient Accounts

- i. No more than fifty percent (50%) of the kWh generated by the DG Project may be allocated to a single Bill Credit Recipient.
- ii. At least fifty percent (50%) of the kWh generated by the DG Project must be allocated to multiple Bill Credit Recipients in an amount not to exceed that which is produced annually by a twenty-five kilowatt (25 kW) AC capacity system.
- iii. Provided that the conditions specified in (i) and (ii) above have been met, there is no limit to the number of Bill Credit Recipients that may receive Bill Credits from the DG Project. However, the aggregate kWh transferred to Bill Credit Recipients during a 12-month period, may not exceed the aggregate three (3) year average on site use of the Bill Credit Recipients. For Bill Credit Recipients that have less than three (3) years of actual on-site use, a projection of annual on-site use may be used until the actual three (3) year average on-site use becomes available for use in determining the number of eligible Bill Credit Recipients.

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iv. Bill Credit Recipients may receive retail delivery service on any of the Company's rate schedules.

2) Allocation of kWh Generation to Bill Credit Recipients:

- i. Applicant must specify each Bill Credit Recipient's percentage share of the DG Project's output on the Customer Payment/Credit Transfer Form.
- ii. On a monthly basis, and in the aggregate, generated kWh may be allocated to Bill Credit Recipients up to the amount of available generated kWh.
- iii. Generated kWh available to allocate during a month is equal to the current month's generated kWh plus any generated kWh not allocated during prior months.
- iv. Allocation of generated kWh to Bill Credit Recipient accounts in any billing month will not exceed each individual Bill Credit Recipient's on-site use during that month.
- v. If available aggregate generated kWh is greater than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their monthly use, subject to the Bill Credit Recipient's annual maximum limit.
- vi. If available aggregate generated kWh is less than the sum of the Bill Credit Recipients' on-site use for the month, then all Bill Credit Recipients will receive a kWh allocation equal to their designated percentage share of generator output, subject to the Bill Credit Recipient's annual maximum limit.
- vii. Bill Credit Recipients will receive monthly kWh allocations as long as the cumulative annual allocation is less than the Bill Credit Recipient's maximum annual limit.
- viii. Each Bill Credit Recipient's maximum annual allocation limit will be that Bill Credit Recipient's three (3) year annual average on-site use. For Bill Credit Recipient accounts that have not established a three-year on-site usage history, the maximum annual allocation limit will be estimated initially. Bill Credit Recipients may request that the Company reset their three (3) year annual average once three (3) years of billing history is available.
- ix. Unallocated generated kWh for each month will be calculated as the monthly generated kWh less the sum of the generated kWh allocated to the Bill Credit Recipients for the month. Unallocated generated kWh will be cumulated on an annual basis and the cumulative unallocated generated kWh calculated for each month will be used to increase or decrease the available generated kWh for the subsequent month within the program year. Any unallocated kWh remaining at the end of the program year will be paid to the designated cash recipient pursuant to Section 8.d.3.
- x. Each Applicant may change the specified Bill Credit Recipients associated with a CRDG facility once per calendar quarter, and must provide such change in a specified electronic format to the address indicated on the Customer Payment/Credit Transfer Form at least 15 days prior to the next billing date to be reflected in the next billing period.

3) Calculation of Bill Credits Applicable to Bill Credit Recipients:

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The Bill Credit Recipient’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 Bill Credit Recipient’s retail delivery service rate class. The Company shall apply a Bill Credit, as calculated below, to offset the Bill Credit Recipient’s bill. The Bill Credit will appear on the Bill Credit Recipient’s bill separate from the charges for on-site use.

$$BC = ALLOC (kWh) \times \text{Bill Credit Rate}$$

Where:

$$BC = \frac{\text{Bill Credit}}{\text{Bill Credit Rate}}$$

ALLOC (kWh) = Bill Credit Recipient’s allocated generated kWh as determined per Section 8.d.2.

BILL CREDIT RATE = a per kWh rate used to calculate each Bill Credit Recipient’s monthly Bill Credit that may be either a fixed per kWh rate determined by the Applicant or the Default Bill Credit Rate. The Bill Credit Rate must be specified on the Customer Payment/Credit Transfer Form. The Default Bill Credit Rate is defined as the sum of the Standard Offer Service Rate, the Standard Offer Service Adjustment Factor, the Standard Offer Service Administrative Cost Adjustment Factor, the Transmission Service Cost Adjustment Factor, and the Non-bypassable Transition Service Charge, applicable to the Bill Credit Recipient’s rate schedule in effect at the time of the application of the monthly Bill Credit to the Bill Credit Recipient’s account. The fixed Bill Credit Rate must be equal to or less than the Default Bill Credit Rate in effect at the time that the Bill Credit Recipient’s account information is submitted by the Applicant on the Customer Payment/Credit Transfer Form. The selection of the fixed or Default Bill Credit Rate applicable to each Bill Credit Recipient may not be changed once the initial selection is made.

4) Payment of Residual Performance-Based Incentive Payment

i. Cash payment to the Applicant or designated payment recipient for each month will be as follows:

$$\text{Cash Payment} = \text{Performance-Based Incentive Payment} - (\text{sum of Bill Credit Recipient Bill Credits}) - (\text{Unallocated Bill Credits})$$

Where

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Unallocated Bill Credit=the unallocated generated kWh multiplied by the Default Bill Credit Rate applicable to the Applicant's rate class

i.ii. Any unallocated generated kWh remaining at the end of the Program Year will be valued at the average ISO-NE Locational Marginal Pricing rate that was realized by the settlement of the output with ISO-NE over the course of the year and will be paid to the designated payment recipient in a lump sum.

e. SolarWise Program

Standard DG Project Applicants who have been approved as qualifying for a SolarWise Bonus Award are eligible to receive SolarWise Bonus payments. Applicants with a Shared Solar Facility may be eligible to receive SolarWise Bonus payments provided that the Customer has applied for and received approval for a SolarWise Bonus Tier. Applicants with a Community Remote Distributed Generation Facility are ineligible to participate in the SolarWise Program. The Bonus Tier will be determined by the energy savings Bonus Tier achieved by the Customer, but all Bill Credit Recipients of a Shared Solar Facility must have received an energy efficiency audit through the Company's Energy Efficiency Program. The PBI payments pursuant to Section 8.c of this Tariff will be adjusted to reflect the percentage increase applicable to the SolarWise Bonus Tier indicated on the Applicant's SolarWise Approval and Certificate of Eligibility.

Payments under the appropriate SolarWise Bonus Tier will be made pursuant to Option 2 described above. ~~Bill credits will be applied to the billing account of the customer that received the energy efficiency audit and must be located at the same premise at which the solar DG Project is installed.~~ All solar PV systems eligible for SolarWise Bonus Award levels must be sized such that the maximum annual electric (kWh) output is not greater than the 3-year historic annual average electric (kWh) usage of the customer at that location minus the estimated annual electric energy (kWh) savings from the realized or committed measures on their SolarWise application. Systems can also be sized to produce less than the annual usage limit. The use of Excluded Technologies can adjust these calculations.

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

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

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*in order to generate 10,000 kWh per year. All of this production would be eligible for the SolarWise Bonus Awards.*

The Company reserves the right to audit customers for compliance with commitments made to qualify for SolarWise Bonus Payments. If the requisite energy efficiency measures are not complete within twelve (12) months of the SolarWise application approval, the Company may withdraw the Bonus Payment approval and the Tariff payments will revert to the applicable standard PBI without the SolarWise Bonus payment.

**9. Other Company Tariff Requirements**

- a. The Company will provide the Customer with retail delivery service under the applicable retail delivery service tariff and the Company's Terms and Conditions for Distribution Service.
- b. The Applicant is required to comply with Company's Standards for Connecting Distributed Generation.
- c. To be eligible to receive Renewable Net Metering Credits or excess Renewable Net Metering Credits pursuant to the Company's Net Metering Provision following the termination of the Customer's participation in the RE Growth Program, a DG Project and a Customer receiving credits from such a facility must comply with the applicable provisions of the Company's Net Metering Provision.
- d. The Company's recovery of costs incurred to implement and administer the RE Growth Program is pursuant to the Renewable Energy Growth Program Cost Recovery Provision.

**10. Dispute Resolution**

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

**11. Termination Provisions**

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

Only the DG Project described on the Certificate of Eligibility is eligible to participate under this Tariff. In no event shall an Applicant expand a DG Project's nameplate capacity beyond what is allowed by the Certificate of Eligibility. If a DG Project exceeds the nameplate capacity allowed by the Certificate of Eligibility, or the Company determines that a Customer or Applicant has violated the terms and conditions of this Tariff, the Company may, after notifying the Customer or Applicant in writing of such non-compliance and

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providing the Customer or Applicant a reasonable period to remedy such non-compliance and the violation persists, request the Commission to review the non-compliance and determine appropriate action, which may include requiring the Customer or Applicant to comply with the applicable provision being violated or revoking the Customer's or Applicant's Certificate of Eligibility.

**12. Statutory Authority**

This Tariff is filed in compliance with R.I. Gen. Laws. § 39-26.6-10. All revisions to the Tariff will be filed annually by November 15. Tariff supplements will be filed annually and following each scheduled RE Growth Program enrollment, as necessary. This Tariff and its supplements are subject to review, approval, and the exclusive jurisdiction of the Commission.

Effective Date: April 1, ~~2016~~2017

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 Renewable Energy Growth Program for Non-Residential Customers  
 Tariff Supplement

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

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance –Based Incentive (per kWh)	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	41.35¢	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	37.75¢	20 years
Small-Scale Solar I Third-Party Owned	1 to 10 kW	32.95¢	20 years
Small-Scale Solar II	11 to 25 kW	29.80¢	20 years
Medium-Scale Solar	26 to 250 kW	24.40¢	20 years

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Renewable Energy Class	Ceiling Price	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Commercial-Scale Solar	20.95¢						20 years
Large-Scale Solar	16.70¢						20 years
Wind I (1.5MW to 2.99MW) with Investment Tax Credit	18.40¢						20 years
Wind I (1.5MW to 2.99MW) with Production Tax Credit	19.85¢						20 years
Wind I (1.5MW to 2.99MW) with No Federal Tax Incentives	22.75¢						20 years
Wind II (3.0MW to 5.0MW) with Investment Tax Credit	18.20¢						20 years
Wind II (3.0MW to 5.0MW) with Production Tax Credit	19.45¢						20 years
Wind II (3.0MW to 5.0MW) with No Federal Tax Incentives	22.35¢						20 years
Anaerobic Digestion (150kW to 1,000kW) with Production Tax Credit	20.20¢						20 years

Effective Date: April 1, 2015

Issue Date: August 12, 2016

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

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

Renewable Energy Class	Ceiling Price	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Anaerobic Digestion (150kW to 1,000kW) with No Federal Tax Incentives	20.60¢						20 years
Small-Scale Hydropower I (10kW to 250kW) with Production Tax Credit	19.80¢						20 years
Small-Scale Hydropower I (10kW to 250kW) with No Federal Tax Incentives	21.35¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) with Production Tax Credit	18.55¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) with No Federal Tax Incentives	20.10¢						20 years

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

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

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar I, Host Owned	1 to 10 kW	37.65¢	39.53¢	41.42¢	n/a	n/a	15 years
Small-Scale Solar I, Host Owned	1 to 10 kW	33.45¢	35.12¢	36.80¢	n/a	n/a	20 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	28.35¢	n/a	n/a	28.92¢	29.48¢	15 years
Small-Scale Solar I, Third-Party Owned	1 to 10 kW	24.70¢	n/a	n/a	25.19¢	25.69¢	20 years
Small-Scale Solar II	11 to 25 kW	24.90¢	26.15¢	27.39¢	n/a	n/a	20 years

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

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

Renewable Energy Class	System Size	Ceiling Price/Standard Performance-Based Incentive (per kWh)	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase	Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase	Term of Service
Small-Scale Solar II, Third-Party Owned	11 to 25 kW	24.90¢	n/a	n/a	25.40¢	25.90¢	20 years
Medium-Scale Solar (including ITC/PTC & Bonus Depreciation)	26 to 250 kW	22.55¢	23.68¢	24.81¢	n/a	n/a	20 years

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

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

Renewable Energy Class	Ceiling Price (per kWh)	Enrollment Date	Applicant Name	DG Facility Address	Nameplate Capacity (MW)	Performance Incentive (per kWh)	Term of Service
Commercial-Scale Solar (including ITC/PTC & Bonus Depreciation)	19.30¢						20 years
Large-Scale Solar (including ITC/PTC & Bonus Depreciation)	15.10¢						20 years
Wind I (1.5MW to 2.99MW) (including ITC/PTC & Bonus Depreciation)	18.75¢						20 years
Wind II (3.0MW to 5.0MW, 2-turbine) (including ITC/PTC & Bonus Depreciation)	18.00¢						20 years
Wind III (3.0MW to 5.0MW, 3-turbine) (including ITC/PTC & Bonus Depreciation)	17.40¢						20 years
Anaerobic Digestion I (150kW to 500 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢						20 years
Anaerobic Digestion II (10kW to 250 kW) (including ITC/PTC & Bonus Depreciation)	20.00¢						20 years
Small-Scale Hydropower I (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	18.65¢						20 years
Small-Scale Hydropower II (251kW to 1,000kW) (including ITC/PTC & Bonus Depreciation)	17.45¢						20 years

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

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

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

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

<u>Renewable Energy Class</u>	<u>System Size</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh)</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase</u>	<u>Term of Service</u>
<u>Small-Scale Solar I, Host Owned</u>	<u>1 to 10 kW</u>	<u>34.75¢</u>	<u>36.49¢</u>	<u>38.23¢</u>	<u>n/a</u>	<u>n/a</u>	<u>15 years</u>
<u>Small-Scale Solar I, Host Owned</u>	<u>1 to 10 kW</u>	<u>30.85¢</u>	<u>32.39¢</u>	<u>33.94¢</u>	<u>n/a</u>	<u>n/a</u>	<u>20 years</u>
<u>Small-Scale Solar I, Third-Party Owned</u>	<u>1 to 10 kW</u>	<u>27.05¢</u>	<u>n/a</u>	<u>n/a</u>	<u>27.59¢</u>	<u>28.13¢</u>	<u>15 years</u>
<u>Small-Scale Solar I, Third-Party Owned</u>	<u>1 to 10 kW</u>	<u>24.05¢</u>	<u>n/a</u>	<u>n/a</u>	<u>24.53¢</u>	<u>25.01¢</u>	<u>20 years</u>
<u>Small-Scale Solar II</u>	<u>11 to 25 kW</u>	<u>27.75¢</u>	<u>29.14¢</u>	<u>30.53¢</u>	<u>n/a</u>	<u>n/a</u>	<u>20 years</u>

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Tariff Supplement

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

<u>Renewable Energy Class</u>	<u>System Size</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh)</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I 5% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II 10% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier I Third-Party Owned 2% increase</u>	<u>Ceiling Price/Standard Performance-Based Incentive (per kWh) with SolarWise Tier II Third-Party Owned 4% increase</u>	<u>Term of Service</u>
<u>Small-Scale Solar II, Third-Party Owned</u>	<u>11 to 25 kW</u>	<u>27.75¢</u>	<u>n/a</u>	<u>n/a</u>	<u>28.31¢</u>	<u>28.86¢</u>	<u>20 years</u>
<u>Medium-Scale Solar</u>	<u>26 to 250 kW</u>	<u>22.75¢</u>	<u>23.89¢</u>	<u>25.03¢</u>	<u>n/a</u>	<u>n/a</u>	<u>20 years</u>

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

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<u>Renewable Energy Class</u>	<u>Ceiling Price (per kWh)</u>	<u>Enrollment Date</u>	<u>Applicant Name</u>	<u>DG Facility Address</u>	<u>Nameplate Capacity (MW)</u>	<u>Performance Incentive (per kWh)</u>	<u>Term of Service</u>
<u>Commercial-Scale Solar</u>	<u>18.75¢</u>						<u>20 years</u>
<u>Commercial-Scale Solar - CRDG</u>	<u>20.65¢</u>						<u>20 years</u>
<u>Large-Scale Solar</u>	<u>15.05¢</u>						<u>20 years</u>
<u>Large-Scale Solar - CRDG</u>	<u>16.85¢</u>						<u>20 years</u>
<u>Small Wind (10 to 99 kW)</u>	<u>21.45¢</u>						<u>20 years</u>
<u>Wind I (1.0MW to 2.99MW)</u>	<u>19.45¢</u>						<u>20 years</u>
<u>Wind I (1.0MW to 2.99MW) - CRDG</u>	<u>20.65¢</u>						<u>20 years</u>
<u>Wind II (3.0MW to 5.0MW, 2-turbine)</u>	<u>18.25¢</u>						<u>20 years</u>

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<u>Renewable Energy Class</u>	<u>Ceiling Price (per kWh)</u>	<u>Enrollment Date</u>	<u>Applicant Name</u>	<u>DG Facility Address</u>	<u>Nameplate Capacity (MW)</u>	<u>Performance Incentive (per kWh)</u>	<u>Term of Service</u>
<u>Wind II (3.0MW to 5.0MW, 2-turbine) CRDG</u>	<u>19.35¢</u>						<u>20 years</u>
<u>Wind III (3.0MW to 5.0MW, 3-turbine)</u>	<u>17.35¢</u>						<u>20 years</u>
<u>Wind III (3.0MW to 5.0MW, 3-turbine) CRDG</u>	<u>18.55¢</u>						<u>20 years</u>
<u>Anaerobic Digestion I (150kW to 500 kW)</u>	<u>20.15¢</u>						<u>20 years</u>
<u>Anaerobic Digestion II (501kW to 1,000 kW)</u>	<u>20.15¢</u>						<u>20 years</u>
<u>Small-Scale Hydropower I (10kW to 250kW)</u>	<u>22.45¢</u>						<u>20 years</u>
<u>Small-Scale Hydropower II (251kW to 1,000kW)</u>	<u>22.45¢</u>						<u>20 years</u>

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

**THE NARRAGANSETT ELECTRIC COMPANY  
D/B/A NATIONAL GRID  
RIPUC DOCKET NO. 6894  
2017 RE GROWTH PROGRAM  
WITNESS: IAN SPRINGSTEEL**

**Schedule IS-5  
SolarWise Customer Guide Revisions**



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

**Rhode Island Renewable Energy Growth Program**

**SolarWise Customer Guide 2017-2018**

## 2017-2018 Program Year SolarWise Customer Guide

*Integrating Solar and Energy Efficiency to Help Customers Manage their Energy Future*

### **Overview**

Each year in Rhode Island, thousands of customers seek to reduce their energy use and save money by accessing services and incentives through National Grid's Energy Efficiency (EE) Program. Similarly, many customers are interested in enrolling in the Renewable Energy (RE) Growth Program, which compensates participating customers for the output from their solar photovoltaic (PV) equipment at their homes or businesses.

The SolarWise program helps customers do both. SolarWise enables customers who are pursuing EE options to easily access information regarding solar opportunities available to them. Customers who choose to install solar in conjunction with investment in significant EE savings may qualify for additional solar payment incentives under the RE Growth Program. Specifically, National Grid's EE Programs identify savings opportunities for both Residential and Commercial and Industrial (C&I) customers and the RE Growth program offers customers Performance Based Incentives (PBIs) for each kilowatt-hour of generation, as governed by the RE Growth Tariffs which can be accessed at: [www.ngrid.com/regrowth](http://www.ngrid.com/regrowth).

### **How It Works**

SolarWise provides several solar-related services. First, customers will receive, at no cost to them, access to an online Solar PV Screening as part of an EE assessment. After completion of the EE assessment, customers will be provided the EE assessment results, a list of potential energy savings, access to an online Solar PV screening, and an invitation to the online SolarWise Marketplace, where they can request, and compare, offers from independent solar installation companies to install solar PV at their location. Finally, customers can qualify for a bonus award from National Grid's RE Growth Program when they reach a set level of energy savings and properly size their solar array to their new, smaller, electric load. The SolarWise Bonus Awards will be available for solar PV facilities participating in the Small Solar (1-25 kW DC) or Medium Solar (26-250 kW DC) classes of the RE Growth Program. Approval for such bonus payment must be obtained through the SolarWise program prior to applying for enrollment in the RE Growth program.

### **Program Offerings**

#### **Solar PV Screenings**

All Rhode Island residential customers are eligible for a No-cost EE Assessment through National Grid's EnergyWise Program. The No-cost EE Assessment includes no-cost installation of energy efficient light bulbs, shower aerators, and advanced power-strips and a provides a list of energy saving measures that customers can choose to implement. For more information or to sign up for the No-cost EE Assessment, please visit [www.myngrid.com/energywise](http://www.myngrid.com/energywise).

For non-residential customers, the Commercial Technical Study helps customers find the right mix of energy-efficient technologies for their operations and identify financial incentives to implement them. For more information or to sign up for the Technical Study, please visit [www.ngrid.com/ri-ee](http://www.ngrid.com/ri-ee) or call 1-866-903-2811.

The EE Programs are also available to residential and commercial new construction projects, which includes some substantial renovations of existing buildings. Technical support offered during the design phase and in the field will help customers achieve a high-efficiency project. Efficiency of a project is measured based on the level above which a project exceeds the commercial building code or the residential User Defined Reference Home (UDRH).

When a customer arranges for any of the above-referenced EE Assessment Services, the SolarWise program will provide an informational brochure on the RE Growth program, and access to a no-cost online solar PV screening. Through the online screening, customers will receive information about the appropriateness of solar at their locations, and the potential amount and value of solar energy that could be produced. Customers will also gain access to the SolarWise Marketplace (see “SolarWise Marketplace Services” below).

Important things to know regarding the Solar PV Screening:

- There is no charge for the Solar PV Screening to the customer
- All Solar PV Screening information is confidential to the customer, and subject to National Grid’s Data Privacy Policy
- Customers only need to receive an EE audit, or register for the EE New Construction Program to receive the solar screening
- There is no obligation to follow up on the Solar PV Screening
- Customers will receive access to Solar PV Screenings after the start of the RE Growth program year on April 1, 2016. Customers who received EE Assessments prior to April 1 in 2016, as well as those in program years 2015 and 2014, will also be eligible for the SolarWise program. They will be provided access to a Solar PV Screening by email only.
- Upon entry into the residential or commercial new construction program, customers will be informed about the potential for solar PV on their proposed building (assuming it is not already part of the new construction plan).
- A service provider to National Grid, Energy Sage, Inc., will provide the Solar PV Assessment under the SolarWise Program.

## **SolarWise Marketplace Services**

Along with the Solar PV Screening Services outlined above, each customer will receive access to the SolarWise Marketplace. The Marketplace will allow customers to request and review quotes from multiple solar installers in a standardized, comparable format. If a customer chooses to use the Marketplace, they will update their solar screening information with additional details about their energy efficiency savings as implemented, and submit their profile to solar installers participating in the Solar Marketplace. Participating solar installers will then provide quotes for the installation of solar, and the customer will be able to compare these quotes on the Marketplace.

Customers who choose to move forward with a solar installer will be responsible for all aspects of their contractual relationship with the installer. Other than providing access to the on-line SolarWise Marketplace, National Grid will not be involved in the transaction between the customer and the solar installer. Once a customer and a solar installer have agreed upon terms and conditions of a proposed solar array, either the customer or the installer, on behalf of the customer, may submit applications for interconnection services and RE Growth incentives to National Grid. More information on the RE Growth Program, including interconnection application forms, can be found at [www.ngrid.com/regrowth](http://www.ngrid.com/regrowth).

If a customer chooses not to utilize the SolarWise Marketplace to identify a solar installer, that customer can still apply to the RE Growth Program for the SolarWise Bonus Award as long as they meet the energy savings requirements of the SolarWise program as outlined in Table 1 and Table 2 below.

Important things to note about the SolarWise Marketplace Services:

- Customers whose premises are appropriate for solar can move forward on their own schedule
- Customers are not obligated to seek quotes from solar installers
- A customer eligible for the SolarWise program must apply for and receive approval for a SolarWise Bonus Payment from April 1, 2016 through March 31, 2017. Please note that the number of installers may fluctuate over the course of the program year.
- A service provider to National Grid, Energy Sage, Inc., will provide the solar PV screening and the Marketplace under the SolarWise Program.

### ***Solar Comparison and Support Services***

When considering offers to install solar PV, customers may have questions about comparing quotes, the amount of solar to install at their location, equipment or services available from different installers, financing, leasing, and /or other issues. Customers can access no-cost SolarWise Support through email, on-line chat, or telephone to obtain assistance with these and other issues. These support services will be provided by Energy Sage, Inc., and will pertain only to Solar PV Screening and SolarWise Marketplace services in the SolarWise Program. SolarWise support can be reached at:

Email: [solarwiseRI@energysage.com](mailto:solarwiseRI@energysage.com)

Telephone: 888.802.8806

On-line chat support: available at [www.ngrid.com/ri-solarwise](http://www.ngrid.com/ri-solarwise)

For electric service issues, including billing, interconnection, RE Growth payments, metering, and similar matters, customers should call National Grid Customer Service at 1-800-322-3223.

## SolarWise Bonus Awards

### *Overview and Award Eligibility Criteria*

National Grid’s EE programs strive to incentivize the most energy efficient homes and buildings through the No-Cost Energy EE Assessment and Commercial Technical Study recommendations for energy savings, supported by all associated incentives. However, the level of efficiency savings pursued by any customer is subject to the customer’s discretion. To be eligible for a SolarWise Bonus Tier approval, all customers in existing structures must have at least six months of billed usage history in order to estimate a 12-month baseline from which to qualify the customer.

In an effort to help encourage owners to pursue solar while also taking substantial steps toward deeper energy efficiency, the SolarWise Bonus Awards offer increased RE Growth payments when high levels of energy savings are reached by a customer at their location.

SolarWise eligibility criteria are based on existing EE program levels and/or measures – all of which have been reviewed and approved by the Rhode Island Public Utilities Commission as elements of National Grid’s Energy Efficiency Program Plans. To be counted toward qualifying for a SolarWise Bonus Award, measures must be approved as part of their respective EE Program Plan in 2014, 2015, 2016 or 2017, and implemented or committed to prior to the end of the RE Growth program year, on March 31, 2018, when the application to SolarWise is made. In addition, applications for RE Growth eligibility accompanied by approval for any SolarWise Bonus Award, as detailed below, must be received and approved before the end of the RE Growth program year. National Grid reserves the right to change these Bonus Tier qualification levels for prospective applications to the SolarWise program following review and approval by the Distributed Generation Board of such changes during the program year.

<p><b>Table 1. Residential SolarWise Bonus Award Eligibility Criteria<sup>1</sup></b></p>
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<sup>1</sup> Residential solar PV facilities that are Third-Party Owned (not by the resident customer) have a different Tier 1 and Tier 2 bonus level, as described in the SolarWise Bonus Levels section.

	SolarWise Tier 1	SolarWise Tier 2	Methodology
New Homes and Major Renovation/Rehabilitation	31% lower total energy use than RI reference home (Residential New Construction program Tier 2)	45% lower total energy use than RI reference home (Residential New Construction program Tier 3)	Calculated based on energy modeling (electricity and heating fuel) of proposed efficient total energy use divided by the RI Residential New Construction User Defined Reference Home (UDRH) usage.
Existing Building Retrofit (lighting, weatherization, and individual appliances)	Implement electricity savings measures totaling at least 15% of last 12-months of usage, as identified through the No Cost Energy Assessment	Tier One threshold PLUS: All Weatherization recommendations from No Cost Energy Assessment, OR Other electric-specific measures that total at least 400 kWh per year	Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and provided to the customer through the Energy Assessment.
<b>Table 2. Commercial and Industrial SolarWise Bonus Award Eligibility Criteria</b>			
New Buildings and Major Renovation / Rehab	15% lower total energy use than current IECC modeled energy usage	20% lower total energy use than current IECC modeled energy usage	Calculated based on energy modeling of proposed total energy use (electricity & heating fuel) divided by the modeled International Energy Conservation code (IECC) usage of the same building.

<p>Existing Building Retrofit (lighting, weatherization, individual appliances, and mechanical systems)  For customers served on rates C-06 or G-02</p>	<p>Implement electric savings measures totaling at least 20% of last 12 months of electric usage</p>	<p>Implement electric savings measures totaling at least 25% of last 12 months of electric usage</p>	<p>Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and through custom estimations in the customer's Technical Study.</p>
<p>Existing Building Retrofit (lighting, weatherization, individual appliances, and mechanical systems)  For customers served on Rates B/G-32 or B/G-62</p>	<p>Implement electric savings measures totaling at least 7% of last 12 months of electric usage</p>	<p>Implement electric savings measures totaling at least 12% of last 12 months of electric usage</p>	<p>Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and through custom estimations in the customer's Technical Study.</p>

1. International Energy Conservation code (IECC) is currently referenced as the building energy efficiency code in RI
2. RI UDRH – Rhode Island User Defined Reference Home is referenced as the baseline for new construction in Rhode Island  
<http://www.riermc.ri.gov/documents/evaluationstudies/2012/Final-RI-RNC-2011-Baseline-Report-sent-10-8-12.pdf>
3. Commercial New Building Energy Savings Calculations
  - a. Provide Energy consumption for Baseline building (either using simulation model or engineering calcs)=A
  - b. Baseline building = a building designed to 'meet' the 2012 IECC code, with same sqft as the proposed building
  - c. Provide Energy consumption in KBtus (electric plus Therm)for proposed building (either using simulation model or engineering calcs)=B
  - d. Show percentage reduction in total energy consumption:  $B/A = X\%$ ,  $1-X = Y$
  - e. If Y equals or is greater than 15%, project is eligible for Tier One SolarWise bonus
  - f. If Y equals or is greater than 20%, project is eligible for Tier Two SolarWise bonus

**Excluded Technologies Adjustments**

Customers who have recently added one of the technologies listed below will have their 12-month usage recalculated for purposes of qualifying for the SolarWise Bonus Payments, so that energy savings comparisons are based on remaining load. For resistance electric heat customers who have switched fuels in last 12 months, or are committed to do so, the estimated usage associated with the heating system will similarly be deducted from their 12 month usage. Excluded technologies are the following:

- Plug-in electric vehicle (all electric or hybrid plug-in)
- Air Source Heat Pump
- Ground Source Heat Pump
- Fuel switching from electric resistance heat to other source if not an electrically powered Air Source/Ground Source Heat Pump

### ***Application and Approval Process***

All customers wishing to access the SolarWise Bonus Awards must show that they have achieved the required savings levels as described above by submitting an application and required documentation to National Grid per the directions on the Residential and C&I SolarWise Application forms, available on the RE Growth and SolarWise webpages. Commercial class customers will also be able to use committed measures, with evidence of commitment as outlined in the application.

Applications to the RE Growth Program must then be received and approved before the end of the program year on March 31, 2017 in order to be eligible for the 2016 SolarWise Bonus Awards as described in this Guide. Applicants will receive notification of their approval or rejection, and their Tier level, which can then be included in their application to the RE Growth program.

### ***SolarWise Billing and Maximum Facility Sizing Requirements***

In order to be eligible for SolarWise Bonus Awards, non-residential customers must choose payment Option 2 in the RE Growth Non-Residential Tariff, to receive bill credits from the RE Growth program. Residential customers are already required to receive bill credits. Non-residential customers must opt to receive bill credits and must size the solar PV facility appropriately to do so.

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

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

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

National Grid reserves the right to modify these maximum facility sizing requirements following review and approval by the Distributed Generation Board of such changes during the program year.

**SolarWise Bonus Levels**

When customers meet the EE Eligibility Criteria as outlined in Table 1 and Table 2 above, they will qualify for higher solar incentives as described below.

SolarWise Tier	Renewable Energy Growth Program Performance Based Incentive Percentage Increase
Tier One	5%
Tier Two	10%
Tier One – Small Solar TPO <sup>2</sup>	2%
Tier Two – Small Solar TPO	4%

The Tier 1 and Tier 2 PBI percentage increase apply to any of the PBI levels approved for the RE Growth Small Solar and Medium Solar classes, and are shown specifically in the RE Growth Tariffs.

**Qualification of Marketplace Vendors**

The SolarWise Marketplace is open to all installers that pass a screening process managed by Energy Sage, Inc. and National Grid. Criteria for acceptance of an installer include the installer’s experience, licensing, and customer complaint history. A full list of the acceptance criterion along with application guidelines are [to be provided on the website once developed]. **National Grid does not endorse, guarantee, or warrant any installer or product in connection with the SolarWise Program, and makes no warranties or guarantees in connection with the SolarWise Program, or any item or services performed in connection with the SolarWise Program, whether expressed, or implied, including, without limitation, warranties of merchantability and fitness for a particular purpose. National**

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<sup>2</sup> Third-party Owned

***Grid makes no representations of any kind regarding the benefits or energy savings in connection with the SolarWise Program. National Grid shall have no responsibility or liability to any customer or any third party in connection with the SolarWise Program or otherwise, except the responsibility to provide the incentives to customers (if any) under the SolarWise Program explicitly agreed to in writing by National Grid.***

### ***SolarWise Bonus Reserve Allocation***

Each year the Rhode Island Distributed Energy Board (Board) recommends to the Rhode Island Public Utilities Commission (PUC) the amount of capacity in kW that shall be offered to each class of the RE Growth Program, including whether to subdivide classes into smaller groupings. The PUC reviews and approves the Board's recommendations. The RE Growth law allows National Grid to reserve up to 50% of the Small-Scale Solar and Medium-Scale Solar classes for the SolarWise Program in each year.

For the 2017 program year (April 1, 2017 to March 31, 2018), the SolarWise Bonus Award capacity reserve allocation will be 2,500 kW of the Small-Scale Solar class and 1,000 kW of the Medium-Scale Solar class. Please see the applicable RE Growth Solicitation and Enrollment Rules for a full listing of annual capacity allocations and capacity available for each enrollment.



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

**Rhode Island Renewable Energy Growth Program**

**SolarWise Customer Guide 2017-2018**

## 2017-2018 Program Year~~6~~ SolarWise Customer Guide

*Integrating Solar and Energy Efficiency to Help Customers Manage their Energy Future*

### **Overview**

Each year in Rhode Island, thousands of customers seek to reduce their energy use and save money by accessing services and incentives through National Grid's Energy Efficiency (EE) Program. Similarly, many customers are interested in enrolling in the Renewable Energy (RE) Growth Program, which compensates participating customers for the output from their solar photovoltaic (PV) equipment at their homes or businesses.

The SolarWise program helps customers do both. SolarWise enables customers who are pursuing EE options to easily access information regarding solar opportunities available to them. Customers who choose to install solar in conjunction with investment in significant EE savings may qualify for additional solar payment incentives under the RE Growth Program. Specifically, National Grid's EE Programs identify savings opportunities for both Residential and Commercial and Industrial (C&I) customers and the RE Growth program offers customers Performance Based Incentives (PBIs) for each kilowatt-hour of generation, as governed by the RE Growth Tariffs which can be accessed at: [www.ngrid.com/regrowth](http://www.ngrid.com/regrowth).

### **How It Works**

SolarWise provides several solar-related services. First, customers will receive, at no cost to them, [access to an online](#) Solar PV Screening as part of an EE assessment. After completion of the EE assessment, customers will be provided the [EE](#) assessment results, a list of potential energy savings, [access to an online](#) Solar PV screening, and an invitation to the on-line SolarWise Marketplace, where they can request, and compare, offers from independent solar installation companies to install solar PV at their location. Finally, customers can qualify for a bonus award from National Grid's RE Growth Program when they reach a set level of energy savings and properly size their solar array to their new, smaller, electric load. The SolarWise\_Bonus Awards will be available for solar PV [systems](#)[facilities](#) participating in the Small Solar (1-25 kW DC) or Medium Solar (26-250 kW DC) classes of the RE Growth Program. Approval for such bonus payment must be obtained through the SolarWise program prior to applying for enrollment in the RE Growth program.

### **Program Offerings**

#### **Solar PV Screenings**

All Rhode Island residential customers are eligible for a No-cost EE Assessment through National Grid's EnergyWise Program. The No-cost EE Assessment includes no-cost installation of energy efficient light bulbs, shower aerators, and advanced power-strips and a provides a list of energy saving measures that customers can choose to implement. For more information or to sign up for the No-cost EE Assessment, please visit [www.myngrid.com/energywise](http://www.myngrid.com/energywise).

For non-residential customers, the Commercial Technical Study helps customers find the right mix of energy-efficient technologies for their operations and identify financial incentives to implement them. For more information or to sign up for the Technical Study, please visit [www.ngrid.com/ri-ee](http://www.ngrid.com/ri-ee) or call 1-866-903-2811.

The EE Programs are also available to residential and commercial new construction projects, which includes some substantial renovations of existing buildings. Technical support offered during the design phase and in the field will help customers achieve a high-efficiency project. Efficiency of a project is measured based on the level above which a project exceeds the commercial building code or the residential User Defined Reference Home (UDRH).

When a customer arranges for any of the above-referenced EE Assessment Services, the SolarWise program will provide an [informational brochure on the RE Growth program, and access to a no-cost online solar PV screening](#) ~~for adding solar PV to the customer's home or building, which will be provided during the EE Assessment.~~ ~~Through the online screening,~~ customers will receive information about the appropriateness of solar at their locations, and the potential amount and value of solar energy that could be produced. ~~With the screening, customers will receive an internet address and log in information so they may review and further customize their screening results.~~ Customers ~~and will~~ also gain access to the SolarWise Marketplace (see "SolarWise Marketplace Services" below).

Important things to know regarding the Solar PV Screening:

- There is no charge for the Solar PV Screening to the customer
- All Solar PV Screening information is confidential to the customer, and subject to National Grid's Data Privacy Policy
- Customers only need to receive an EE audit, or register for the EE New Construction Program to receive the solar screening
- There is no obligation to follow up on the Solar PV Screening
- Customers will receive [access to](#) Solar PV Screenings after the start of the RE Growth program year on April 1, 2016. Customers who received EE Assessments prior to April 1 in 2016, as well as those in program years 2015 and 2014, will also be eligible for the SolarWise program. They will be provided [access to](#) a Solar PV Screening by email only.
- Upon entry into the residential or commercial new construction program, customers will be informed about the potential for solar PV on their proposed building (assuming it is not already part of the new construction plan).
- A service provider to National Grid, Energy Sage, Inc., will provide the Solar PV Assessment under the SolarWise Program.

## SolarWise Marketplace Services

Along with the Solar PV Screening Services outlined above, each customer will receive access to the SolarWise Marketplace. The Marketplace will allow customers to request and review quotes from multiple solar installers in a standardized, comparable format. If a customer chooses to use the Marketplace, they will update their solar screening information with additional details about their energy efficiency savings as implemented, and submit their profile to solar installers participating in the Solar Marketplace. Participating solar installers will then provide quotes for the installation of solar, and the customer will be able to compare these quotes on the Marketplace.

Customers who choose to move forward with a solar installer will be responsible for all aspects of their contractual relationship with the installer. Other than providing access to the on-line SolarWise Marketplace, National Grid will not be involved in the transaction between the customer and the solar installer. Once a customer and a solar installer have agreed upon terms and conditions of a proposed solar array, either the customer or the installer, on behalf of the customer, may submit applications for interconnection services and RE Growth incentives to National Grid. More information on the RE Growth Program, including interconnection application forms, can be found at [www.ngrid.com/regrowth](http://www.ngrid.com/regrowth).

If a customer chooses not to utilize the SolarWise Marketplace to identify a solar installer, that customer can still apply to the RE Growth Program for the SolarWise Bonus Award as long as they meet the energy savings requirements of the SolarWise program as outlined in Table 1 and Table 2 below.

Important things to note about the SolarWise Marketplace Services:

- Customers whose premises ~~have been screened and~~ are appropriate for solar can move forward on their own schedule
- Customers are not obligated to seek quotes from solar installers
- A customer eligible for the SolarWise program must apply for and receive approval for a SolarWise Bonus Payment from April 1, 2016 through March 31, 2017. Please note that the number of installers may fluctuate over the course of the program year.
- A service provider to National Grid, Energy Sage, Inc., will provide the solar PV screening and the Marketplace under the SolarWise Program.

### ***Solar Comparison and Support Services***

When considering offers to install solar PV, customers may have questions about comparing quotes, the amount of solar to install at their location, equipment or services available from different installers, financing, leasing, and /or other issues. Customers can access no-cost SolarWise Support through email, on-line chat, or telephone to obtain assistance with these and other issues. These support services will be provided by Energy Sage, Inc., and will pertain only to Solar PV Screening and SolarWise Marketplace services in the SolarWise Program. SolarWise support can be reached at:

Email: [solarwiseRI@energysage.com](mailto:solarwiseRI@energysage.com)~~[To be updated when final]~~

Telephone: [888.802.8806](tel:888.802.8806)~~[To be updated when final]~~

On-line chat support: ~~[To be provided]~~, [available at www.ngrid.com/ri-solarwise](http://www.ngrid.com/ri-solarwise)

For electric service issues, including billing, interconnection, RE Growth payments, metering, and similar matters, customers should call National Grid Customer Service at 1-800-322-3223.

## SolarWise Bonus Awards

### *Overview and Award Eligibility Criteria*

National Grid's EE programs strive to incentivize the most energy efficient homes and buildings through the No-Cost Energy EE Assessment and Commercial Technical Study recommendations for energy savings, supported by all associated incentives. However, the level of efficiency savings pursued by any customer is subject to the customer's discretion. [To be eligible for a SolarWise Bonus Tier approval, all customers in existing structures must have at least six months of billed usage history in order to estimate a 12-month baseline from which to qualify the customer.](#)

In an effort to help encourage owners to pursue solar while also taking substantial steps toward deeper energy efficiency, the SolarWise Bonus Awards offer increased RE Growth payments when high levels of energy savings are reached by a customer at their location.

SolarWise eligibility criteria are based on existing EE program levels and/or measures – all of which have been reviewed and approved by the Rhode Island Public Utilities Commission as elements of National Grid's Energy Efficiency Program Plans. To be counted toward qualifying for a SolarWise Bonus Award, measures must be approved as part of their respective EE Program Plan in 2014, 2015, 2016 or 2017, and implemented or committed to prior to the end of the RE Growth program year, on March 31, 2018, when the application to SolarWise is made. In addition, applications for RE Growth eligibility accompanied by approval for any SolarWise Bonus Award, as detailed below, must be received and approved before the end of the RE Growth program year. [National Grid reserves the right to change these Bonus Tier qualification levels for prospective applications to the SolarWise program following review and approval by the Distributed Generation Board of such changes during the program year.](#)

<b>Table 1. Residential SolarWise Bonus Award Eligibility Criteria<sup>1</sup></b>			
	<b>SolarWise Tier 1</b>	<b>SolarWise Tier 2</b>	<b>Methodology</b>
New Homes and Major Renovation/Rehabilitation	31% lower total energy use than RI reference home (Residential New Construction program Tier 2)	45% lower total energy use than RI reference home (Residential New Construction program Tier 3)	Calculated based on energy modeling (electricity and heating fuel) of proposed efficient total energy use divided by the RI Residential New Construction User Defined Reference Home (UDRH) usage.
Existing Building Retrofit (lighting, weatherization, and individual appliances)	Implement electricity savings measures totaling at least 15% of last 12-months of usage, as identified through the No Cost Energy Assessment	Tier One threshold PLUS: All Weatherization recommendations from No Cost Energy Assessment, OR Other electric-specific measures that total at least 400 kWh per year	Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and provided to the customer through the Energy Assessment.
<b>Table 2. Commercial and Industrial SolarWise Bonus Award Eligibility Criteria</b>			
New Buildings and Major Renovation / Rehab	15% lower total energy use than current IECC modeled energy usage	20% lower total energy use than current IECC modeled energy usage	Calculated based on energy modeling of proposed total energy use (electricity & heating fuel) divided by the modeled International Energy Conservation code (IECC) usage of the same building.

<sup>1</sup> Residential solar PV [systems/facilities](#) that are Third-Party Owned (not by the resident customer) have a different Tier 1 and Tier 2 bonus level, as described in the SolarWise Bonus Levels section.

<p>Existing Building Retrofit (lighting, weatherization, individual appliances, and mechanical systems)  For customers served on rates C-06 or G-02</p>	<p>Implement electric savings measures totaling at least 20% of last 12 months of electric usage</p>	<p>Implement electric savings measures totaling at least 25% of last 12 months of electric usage</p>	<p>Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and through custom estimations in the customer's Technical Study.</p>
<p>Existing Building Retrofit (lighting, weatherization, individual appliances, and mechanical systems)  For customers served on Rates B/G-32 or B/G-62</p>	<p>Implement electric savings measures totaling at least 7% of last 12 months of electric usage</p>	<p>Implement electric savings measures totaling at least 12% of last 12 months of electric usage</p>	<p>Calculated by adding up electricity savings associated with each measure. Savings are predetermined through energy modeling by the EE Program and through custom estimations in the customer's Technical Study.</p>

1. International Energy Conservation code (IECC) is currently referenced as the building energy efficiency code in RI
2. RI UDRH – Rhode Island User Defined Reference Home is referenced as the baseline for new construction in Rhode Island  
<http://www.rieermc.ri.gov/documents/evaluationstudies/2012/Final-RI-RNC-2011-Baseline-Report-sent-10-8-12.pdf>
3. Commercial New Building Energy Savings Calculations
  - a. Provide Energy consumption for Baseline building (either using simulation model or engineering calcs)=A
  - b. Baseline building = a building designed to 'meet' the 2012 IECC code, with same sqft as the proposed building
  - c. Provide Energy consumption in KBtus (electric plus Therm)for proposed building (either using simulation model or engineering calcs)=B
  - d. Show percentage reduction in total energy consumption:  $B/A = X\%$ ,  $1-X = Y$
  - e. If Y equals or is greater than 15%, project is eligible for Tier One SolarWise bonus
  - f. If Y equals or is greater than 20%, project is eligible for Tier Two SolarWise bonus

**Excluded Technologies Adjustments**

Customers who have recently added one of the technologies listed below will have their 12-month usage recalculated for purposes of qualifying for the SolarWise Bonus Payments, so that energy savings comparisons are based on remaining load. For resistance electric heat customers who have switched fuels in last 12 months, or are committed to do so, the estimated usage associated with the heating system will similarly be deducted from their 12 month usage. Excluded technologies are the following:

- Plug-in electric vehicle (all electric or hybrid plug-in)
- Air Source Heat Pump
- Ground Source Heat Pump
- Fuel switching from electric resistance heat to other source if not an electrically powered Air Source/Ground Source Heat Pump

### ***Application and Approval Process***

All customers wishing to access the SolarWise Bonus Awards must show that they have achieved the required savings levels as described above by submitting an application and required documentation to National Grid per the directions on the Residential and C&I SolarWise Application forms, available on the RE Growth and SolarWise webpages. Commercial class customers will also be able to use committed measures, with evidence of commitment as outlined in the application.

Applications to the RE Growth Program must then be received and approved before the end of the program year on March 31, 2017 in order to be eligible for the 2016 SolarWise Bonus Awards as described in this Guide. Applicants will receive notification of their approval or rejection, and their Tier level, which can then be included in their application to the RE Growth program.

### ***SolarWise Billing and ~~System Re~~Maximum Facility ~~s~~Sizing Requirements***

In order to be eligible for SolarWise Bonus Awards, non-residential customers must choose payment Option 2 in the RE Growth Non-Residential Tariff, to receive bill credits from the RE Growth program. Residential customers are already required to receive bill credits. Non-residential customers must opt to receive bill credits and must size the solar PV facility appropriately to do so.

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

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

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

National Grid reserves the right to modify these systemmaximum facility sizing requirements following review and approval by the Distributed Generation Board of such changes during the program year.

**SolarWise Bonus Levels**

When customers meet the EE Eligibility Criteria as outlined in Table 1 and Table 2 above, they will qualify for higher solar incentives as described below.

SolarWise Tier	Renewable Energy Growth Program Performance Based Incentive Percentage Increase
Tier One	5%
Tier Two	10%
Tier One – Small Solar TPO <sup>2</sup>	2%
Tier Two – Small Solar TPO	4%

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