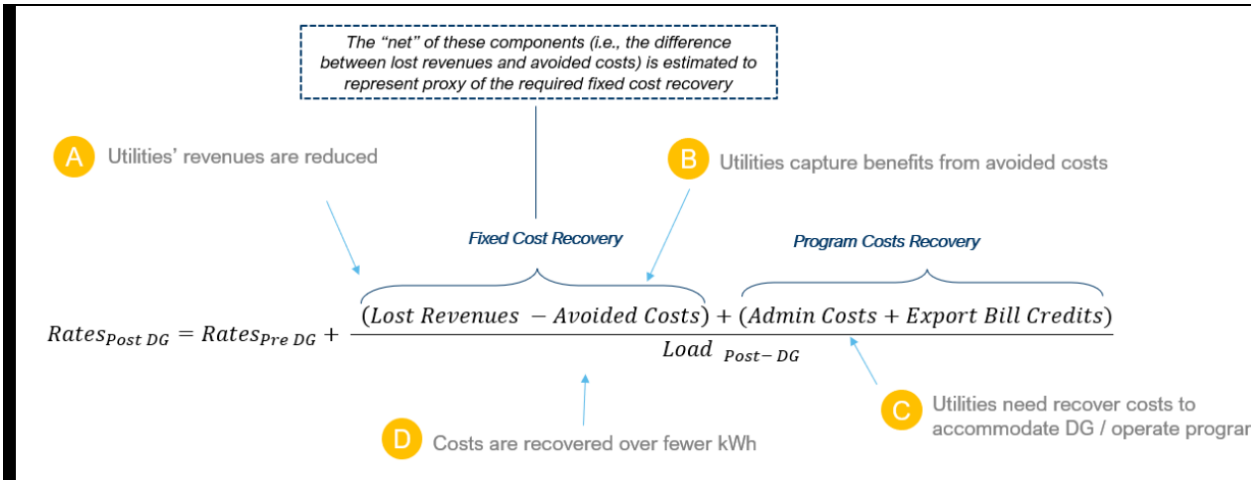
Response to Commission Request for Costs of Net Metering Program for Eversource

The Settling Parties present the following detail in response to the Commission's request for the costs of net metering for Eversource customers, particularly non-net metered customers. The second addendum to the Dunsky VDER study, Exhibit 12 at Bates Page 9, depicts how rate impacts to non-DG customers are calculated:

Figure 1. Theoretical Framework Used to Assess the Rate Impacts of net metered DG



- The $36 million which the Commission referred to at the hearings as "the twelve-month cost for the program" is in fact *only* the amount "credited or paid" to net metered customers and therefore only reflects the cost of export bill credits as defined as one input to the equation in the Dunsky VDER Study.
- The Commission's reference to $36 million as "the cost for the program" is inconsistent with the findings of the Dunsky VDER study and insufficient to support a conclusion that cost shifts are occurring. This is because the $36 million only reflects a portion of net metering costs and none of the benefits that the Dunsky VDER study explains are all necessary considerations for an assessment of rate impacts and the existence (or not) of cost shifts.
- In particular, the $36 million does not account for avoided costs which were the substantial focus of the Dunsky VDER study and must necessarily be included to assess bill impacts and cost shifts.
- It is difficult to contrast the results of the VDER study with the amounts included in Eversource's SCRC filing in Docket No. DE 23-091. The VDER study was based upon a statewide analysis over a long-term forecast period where the referenced $36 million is an Eversource-specific value that covers 12 months.
- However, simple application of the resulting equation of the Dunsky VDER study should provide the Commission greater confidence in the conclusions of the study as well as other expert testimony in the docket supporting that there is no evidence that unreasonable cost shifts are presently occurring despite the $36 million in credits and payments to net metered customers recovered in Eversource's SCRC. Calculations follow on the next page.

	Indicative Value of Solar PV Generation in Eversource Service Territory		
Line			
1	Eversource NH installed solar capacity (Cumulative MW)	179	ISO-NE Final 2024 Photovoltaic (PV) Forecast, page 49
2	Annual Capacity Factor (NH)	14.2%	ISO-NE Final 2024 Photovoltaic (PV) Forecast , page 16
3	Annual estimated generation (kWh)	222,661,680	Line 1 x 1,000 x 8,760 x Line 2
4	Value Captured by Solar PV Systems -Low ($/kWh)	$0.15	Exhibit 9, New Hampshire Value of Distributed Energy Resources - Addendum, Table B.3
5	Value Captured by Solar PV Systems -High ($/kWh)	$0.19	Exhibit 9, New Hampshire Value of Distributed Energy Resources - Addendum, Table B.3
6	Annual estimated value of PV generation - Low	$33,399,252	Line 3 x Line 4
7	Annual estimated value of PV generation - High	$42,305,719	Line 3 x Line 5

- Further considerations for the Commission supporting these calculations:
  - Dunsky estimated the avoided cost value of Solar PV systems to range from **$0.15-$0.19/kWh** (VDER Study Addendum Table B.3, Exhibit 9 page 7).
  - **180 MW** of New Hampshire PV capacity was reported in service in Eversource's service territory as of the end of 2023 to the ISO-NE Distributed Generation Working Group[1] to support ISO-NE planning and system operations.
  - Annual generation output for this PV capacity in Eversource territory would be estimated in the range of **225 million kWh** at a 14.2% annual capacity factor, which is the factor reported for New Hampshire by the ISO-NE Distributed Generation Working Group.[2]
  - The total value of the avoided costs from 225 million kWh from Solar PV would be estimated to be a **$34-$43 million offset** to the $36 million referenced by the Commission at the August 22 hearing.

[1] https://www.iso-ne.com/static-assets/documents/100010/2024_pv_forecast_final_updated.pdf
[2] *Id.*