

Community Power Coalition of New Hampshire (CPCNH) Responses

NHPUC Docket: DE 22-060

Consideration of Changes to the Current Net Metering Tariff Structure,
Including Compensation of Customer-Generators

Public Service Company of New Hampshire d/b/a/ Eversource Energy (EE)
Set 1 Data Requests to CPCNH

Date Request Received: 2/6/24

Date of Response: 2/20/24

Request No. EE to CPCNH 1.4

Witness & Respondent: Clifton Below

REQUEST:

1.4. Not all of the energy produced by net metered customer-generators is certified through NEPOOL GIS, meaning the utility cannot apply them to its RPS obligation, nor can the customer-generator sell them in the REC market. Does the discussion of removing the RPS compliance costs from the net meter credit, in either direct or rebuttal testimony, account for the fact that RECs must be certified through NEPOOL GIS? If so, how does it account for this, and if not, what impact would many of the RECs having no market value have on the testimony's analysis and recommendation?

RESPONSE:

These two questions are not particularly clear, even after I sought clarification from Eversource Senior Counsel Chiavara pursuant to the DR instructions; however, from what I gather someone at Eversource may be thinking that the compensation at the full utility default energy service rate can be thought of as including compensation to those customer-generators that don't produce RECs for the renewable attribute of their DG that reduces supplier's compliance obligations pursuant to RSA 362-F:6, II-a. This may be a misunderstanding by Eversource as the reduction of RPS compliance obligation is included as it offsets the amount of RECs that are needed to be purchased. Those customers that do not produce RECs are receiving the benefit of their production through lower supply costs and are free to reverse the methodology by installing a production meter to record the production of RECs. The removal of the RPS compliance costs from the net meter credit would appropriately recognize the costs being borne by the supplier to meet its RPS obligation created by the amount of load it serves, not the amount of generation by its customers.

I recognize the fact the RECs must be certified through the NEPOOL GIS. There are likely to be a variety of reasons why customer-generators don't register their systems to produce RECs. In my own case, I completely offset my household load, and have an annual surplus to export to the grid. I like to be able to say that I completely offset my home's electrical consumption, including electric lawn mower and chain saw, along with two plug-in hybrid electric vehicles, with on-site renewable PV. If I generated RECs for all that behind the meter generation and consumptions and sold them, then someone else would be claiming that renewable attribute, so

that doesn't seem right. If I could just produce RECs for my net exports, then that would make sense to me, but that is not a readily available option under the current system. Anecdotally, some other net metered DG customer-generators that I asked about have indicated the same or similar views as to mine. I have never thought of compensating for energy exports at the utility default service rate as also compensating for the renewable attribute because all these customer-generators have the option to add a REC production meter and separately monetize that value, and undoubtedly many, if not most of the systems large than residential scale, do produce RECs.

The fact that some customer-generators do not choose to install a meter to produce RECs and monetize that value does not impact my testimony and analysis. All existing customer-generators, including those on NEM 1.0 and 2.0, up through the transition to NEM 3.0 would continue to be grandfathered, so CPCNH's recommendation would only apply to new systems on a prospective basis, and all such new customers could choose to have the utility or their system supplier install a REC production meter to register and monetize the value of those RECs. However, if by this question Eversource is suggesting that it might be appropriate to differentiate between customer-generators that produce RECs and those that don't in the compensation rate in NEM 3.0, then I would be open to that suggestion and could modify my recommendation that going forward, the use of the base default energy service rate only apply to those customer-generators that do produce RECs, and that those customer-generators that don't produce RECs, but do produce some value pursuant to "REC sweeping" pursuant to RSA 362-F:6, II-a, be compensated at the full utility default service rate, as that would seem like a reasonable option in rate design going forward.