THE STATE OF NEW HAMPSHIRE BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

JOINT TESTIMONY OF

Edward A. Davis, Brian J. Rice, Dawn Coskren on behalf of PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Karen M. Asbury and John J. Bonazoli on behalf of UNITIL ENERGY SYSTEMS, INC. D/B/A UNITIL, INC.

and

Dilip K. Kommineni and Laura Sasso on behalf of LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY

CONSIDERATION OF CHANGES TO THE CURRENT NET METERING TARIFF STRUCTURE, INCLUDING COMPENSATION OF CUSTOMER-GENERATORS

Docket No. DE 22-060

August 11, 2023

INTRODUCTION

1 Q. Mr. Davis, please state your name, business address and position.

- 2 A. My name is Edward A. Davis. My business address is 107 Selden Street, Berlin, CT
- 3 06037. My position is Director, Rates at Eversource Energy Service Company and in that
- 4 position I provide rate and tariff related services to the operating companies of
- 5 Eversource Energy including Public Service Company of New Hampshire d/b/a
- 6 Eversource Energy ("Eversource").

1	Q.	Please describe your educational background and professional experience.
2	A.	I hold a Bachelor of Science degree in Electrical Engineering from the University of
3		Hartford and Master of Business Administration from the University of Connecticut. I
4		joined Northeast Utilities, now Eversource Energy, in 1979 and have held various
5		positions in the areas of consumer economics, engineering and operations, wholesale and
6		retail marketing and rate design, regulation and administration.
7		
8	Q.	Have you previously testified before the New Hampshire Public Utilities
9		Commission?
10	A.	Yes. I have on many occasions testified before the New Hampshire Public Utilities
11		Commission ("Commission") on behalf of Eversource, and at the state utility
12		commissions in Connecticut and Massachusetts on behalf of other Eversource Energy
13		affiliates on rate related matters.
14		
15	Q.	Mr. Rice, please state your name, business address and position.
16	A.	My name is Brian J. Rice. My business address is 247 Station Drive, Westwood, MA
17		02090. My position is Director, Customer Solar Programs at Eversource Energy Service
18		Company and in that position I provide oversight of solar programs for Eversource
19		customers in multiple New England states.
20		
21	Q.	Please describe your educational background and professional experience.
22	A.	I hold a Bachelor of Science degree in Industrial Economics from Union College and

1		Master of Business Administration degree from the Boston College Carroll Graduate
2		School of Management. I've held positions in different functions at Eversource since
3		2011 associated with wholesale energy markets, tariff design and regulatory
4		requirements. Prior to joining Eversource I held consulting positions covering various
5		segments of the energy and utility industries.
6		
7	Q.	Have you previously testified before the Commission?
8	A.	Yes, I have testified in front of the Commission on several occasions including in Docket
9		Nos. DE 19-197 on the Statewide Energy Data Platform, DE 21-078 Eversource's
10		electric vehicle make-ready and demand charge alternative proposals, and DE 20-170 on
11		electric vehicle time of use rates.
12		
12 13	Q.	Please state your name, business address, company position, and principal
	Q.	Please state your name, business address, company position, and principal responsibilities in your current position.
13	Q. A:	
13 14		responsibilities in your current position.
13 14 15		responsibilities in your current position. My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New
13 14 15 16		responsibilities in your current position. My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New Hampshire. I work for Eversource Energy Service Company as Manager for Billing and
13 14 15 16 17		responsibilities in your current position. My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New Hampshire. I work for Eversource Energy Service Company as Manager for Billing and Data Management for PSNH and Eversource Energy's affiliate in Western
13 14 15 16 17 18		responsibilities in your current position. My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New Hampshire. I work for Eversource Energy Service Company as Manager for Billing and Data Management for PSNH and Eversource Energy's affiliate in Western Massachusetts. In this role I'm responsible for managing activities associated with
 13 14 15 16 17 18 19 		responsibilities in your current position. My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New Hampshire. I work for Eversource Energy Service Company as Manager for Billing and Data Management for PSNH and Eversource Energy's affiliate in Western Massachusetts. In this role I'm responsible for managing activities associated with billing and meter data management of Eversource Energy and establishing practices to

1	Q.	Please provide your educational and professional background.
2	A:	I have an Associates of Science in Business Administration Management and a Bachelor
3		of Arts in Communications from Southern New Hampshire University. I have over 20
4		years of experience in customer service in leadership positions.
5		
6	Q.	Have you previously testified before the Commission?
7	A:	I recently submitted testimony in Docket No. DE 23-063 on behalf of Eversource in the
8		Joint Utility Petition for Waiver of Certain Provisions of the Puc 2200 Rules.
9		
10	Q.	Ms. Asbury, please state your name, business address and position.
11	A.	My name is Karen M. Asbury. My business address is 6 Liberty Lane West, Hampton,
12		New Hampshire 03842. I am the Director of Regulatory Services for Unitil Service
13		Corp. which provides centralized management and administrative services to all Unitil
14		Corporation's affiliates including Unitil Energy Systems, Inc.
15		
16	Q.	Please describe your educational background and professional experience.
17	A.	In 1987, I graduated magna cum laude from the University of New Hampshire with a
18		Bachelor of Science Degree in Mathematics. I joined Unitil Service Corp. in January
19		1988 and have held various positions in the regulatory/rate department. In my current
20		position, I am responsible for directing regulatory filings, pricing research, analysis, and
21		design, tariff administration, customer research, and other analytical services.
22		

1	Q.	Have you previously testified before the Commission?
2	A.	Yes. I have testified before the New Hampshire Public Utilities Commission
3		("Commission") and the Massachusetts Department of Public Utilities on behalf of Unitil
4		and its affiliates.
5		
6	Q.	Mr. Bonazoli, please state your name, business address and position.
7	А.	My name is John J. Bonazoli, I am the Manager of the Distribution Engineering
8		Department at Unitil Service Corp. which provides centralized management and
9		administrative services to all Unitil Corporation's affiliates including Unitil Energy
10		Systems, Inc.
11		
12	Q.	Please describe your educational background and professional experience.
13	A.	In 1987, I received my Bachelor of Science degree in Electrical Engineering from
	A.	In 1987, I received my Bachelor of Science degree in Electrical Engineering from Northeastern University. I also graduated from Lesley University, in 1993, with a Master
13 14 15	A.	
14	A.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master
14 15	A.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master of Science degree in Management. I am a registered Professional Engineer in the State of
14 15 16	A.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master of Science degree in Management. I am a registered Professional Engineer in the State of New Hampshire and the Commonwealth of Massachusetts. I joined Unitil Service Corp.
14 15 16 17	A.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master of Science degree in Management. I am a registered Professional Engineer in the State of New Hampshire and the Commonwealth of Massachusetts. I joined Unitil Service Corp. in April, 1999 and have held various positions in the Engineering Department. In my
14 15 16 17 18	A.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master of Science degree in Management. I am a registered Professional Engineer in the State of New Hampshire and the Commonwealth of Massachusetts. I joined Unitil Service Corp. in April, 1999 and have held various positions in the Engineering Department. In my current position, I am responsible for managing the planning of the electric system and
14 15 16 17 18 19	А. Q.	Northeastern University. I also graduated from Lesley University, in 1993, with a Master of Science degree in Management. I am a registered Professional Engineer in the State of New Hampshire and the Commonwealth of Massachusetts. I joined Unitil Service Corp. in April, 1999 and have held various positions in the Engineering Department. In my current position, I am responsible for managing the planning of the electric system and

1		("Commission") and the Massachusetts Department of Public Utilities on behalf of Unitil
2		and its affiliates.
3		
4	Q.	Mr. Kommineni, please state your name, business address and position.
5	A.	My name is Dilip K. Kommineni. My business address is 9 Lowell Road, Salem, NH
6		03079 and I am employed as the Sr. Manager of Engineering by Liberty Utilities Service
7		Corp. ("LUSC"), which provides services to Liberty Utilities (Granite State Electric)
8		Corp. ("Liberty").
9		
10	Q.	Please describe your educational background and professional experience.
11	A.	In 2005, I received a Bachelor of Science from the Anna University at Chennai, TN $$ -
12		(India). I graduated from Syracuse University in 2006 with a Master of Science in
13		Electrical Engineering. In 2010, I received a Master of Business Administration from
14		Le Moyne College. I joined National Grid in July 2006 as an intern and was employed
15		full time in January 2007. Since that time, I have held several roles of increasing
16		responsibility in protection, reliability, and distribution engineering, and obtained my
17		professional engineering license from New York. I joined LUSC as Senior Manager of
18		Engineering, where I am responsible for the safe and reliable operation, design, and
19		maintenance of the electric system for Liberty in New Hampshire.
20		
21	Q.	Have you previously testified before the Commission?
22	A.	No, I have not testified before the Commission.

1	Q.	Ms. Sasso, please state your name, business address and position.
2	A.	My name is Laura Sasso. I am employed by LUSC as a Senior Manager, Billing, East
3		Region, providing services to the Liberty affiliates in the East Region, including Liberty.
4		My office address is 15 Buttrick Road, Londonderry, New Hampshire. I have been with
5		Liberty for 11 years and have been in the industry for 27 years.
6		
7	Q.	Have you previously testified before the Commission?
8	A.	Yes, I filed testimony in Docket No. DE 23-063, the Joint Utilities' Petition for Waiver of
9		Certain Provisions of the Puc 2200 Rules.
10		
11	Q.	What is the purpose of your testimony?
12	А.	The purpose of Eversource, Unitil, and Liberty's (the "Joint Utilities") testimony is to
13		assess the current compensation levels for net metering customers in New Hampshire and
14		address possible changes to the net metering tariff that may be up for consideration at this
15		time.
16		
17	Q.	How is your testimony organized?
18	A.	Our testimony begins by assessing the current net metering tariff compensation structure,
19		examines whether changes are warranted, presents the current efforts and resources
20		needed to administer the current net metering program, and finally suggests a modest
21		application fee structure to mitigate potential cost shifts and allow the Joint Utilities to be
22		more acutely responsive to increases in demand for distributed generation projects. This

1		testiments was drafted after the conclusion of and tales into account a well attended
1		testimony was drafted after the conclusion of, and takes into account, a well-attended,
2		three-month stakeholder session representing diverse statewide interests.
3		
4	Q:	Please summarize current net metering tariffs available to New Hampshire
5		electricity customers.
6	A:	Current net metering policies are enumerated in New Hampshire Code of Administrative
7		Rules Chapter Puc 900: Net Metering for Customer-Owned Renewable Energy
8		Generation Resources of 1,000 Kilowatts or Less, and are distinct for small customer-
9		generators whose facility has a total maximum generating capacity of not more than 100
10		kW, and for large customer-generators whose facility has a total maximum generating
11		capacity greater than 100 kW, up to and including 1 MW. Beginning in September 2017,
12		when the current net metering took effect, any new small customer-generators receive
13		monetary bill credits for net electricity exports over a billing period calculated at 25
14		percent of any distribution charges assessed on a per-kWh basis, any transmission
15		charges assessed on a per kWh-basis and, for default service customers, the default
16		service rate assessed on a per-kWh basis. Non-bypassable charges for new small
17		customer-generators are assessed based on the full amount of electricity received from
18		the distribution system without any netting of electricity exports over the billing period.
19		
20		New large customer-generators are only eligible for net metering if at least 20 percent of
21		the actual or estimated annual electricity generation from its facility is consumed behind-
22		the-meter, or if it has registered as a group host. Eligible large customer-generators

1		currently receive monetary bill credits for net electricity exports over a billing period
2		calculated at the default service-rate assessed on a per-kWh basis.
3		The original standard net metering tariff is grandfathered for any projects approved
4		before the adoption of the current net metering tariff, and those grandfathered provisions
5		will apply until they sunset in 2040.
6		
7	Q:	Please describe the level of customer participation in current net metering tariffs.
8	A:	Current net metering tariffs are effectively supporting opportunities for New Hampshire
9		customers to install distributed generation resources that reduce customer costs and
10		contribute incremental sources of renewable energy to the New Hampshire generation
11		mix. This has particularly been the case as the cost of renewable generation has declined
12		and wholesale energy costs increased. Customer participation in net metering has risen
13		significantly in the last couple of years. Last year, new net metering project applications
14		received nearly tripled for Eversource from 1,508 in 2021 to 4,152 in 2022. Unitil saw
15		notable increases for new project applications of 53%, from 905 applications in 2021 to
16		1,387 applications in 2022. Liberty also experienced significant growth in new project
17		applications, with an increase of 160%, rising from 126 applications in 2021 to 328
18		applications in 2022. This year, Eversource, Unitil, and Liberty are on track to see a
19		continued increase, with 2,352, 813, and 351 applications received as of July 1, 2023,
20		respectively. Overall, the steady increase in participation and the sharp uptick beginning
21		in 2022 has resulted in a robust net metering market in New Hampshire.

1	Q:	Do current net metering tariffs balance the interests of customer-generators with
2		those of non-net metered customers?
3	A:	The Joint Utilities believe they do. A large portion of credit provided to customer-
4		generators through the net metering tariff is directly tied to the wholesale cost of energy
5		reflected within default service rates and generally avoided or realized through utility
6		market activity. This ensures a large portion of net metering credit remains market-based
7		and distributed generation development in New Hampshire is market-driven, as has been
8		demonstrated through recent increases in solar deployment in response to changes in
9		energy supply rates. This shows that the current net metering tariff encourages customers
10		to make investment decisions based on real market conditions, and not just level of
11		subsidization.
12		
13		Current net metering tariffs do risk shifting costs to non-net metered customers by
14		providing credit in excess of the wholesale market value of energy, in this instance, the
15		full default service rate, along with a portion of distribution and transmission rates, but
16		the risk of significant cost shifting in New Hampshire is mitigated by several factors.
17		The current net metering tariff limits credit for distribution and transmission values to
18		only small customer-generators, providing credit for excess generation at only 25 percent
19		of the distribution rate and providing credit for only kWh-based retail rates limits the
20		amount of credit provided to New Hampshire customer-generators that may exceed the
21		wholesale energy market value of energy and risk shifting costs to non-net metered
22		customers. Net metering tariff designs which have more expansive customer eligibility

-	
2	rates) are at higher risk of shifting costs to non-net metered customers.
3	
4	The Joint Utilities also generally agree that distributed generation facilities can provide
5	greater benefits than larger generation resources by reducing line losses, lowering peak
6	loads on portions of the distribution system and diversifying energy resources. These
7	benefits are more difficult to objectively quantify and are likely to vary based on resource
8	type and location on the electric power system, but they should be considered in any
9	assessment of the balance of Customer-Generator interests with those of non-net metered
10	customers. This is consistent with the 2022 update to the New Hampshire Ten Year State
11	Energy Strategy, which states: "Having a diverse resource mix can help ensure a
11 12	Energy Strategy, which states: " <u>Having a diverse resource mix can help ensure a</u> <u>secure, reliable, and resilient energy system.</u> " (New Hampshire 10-Year State Energy
12	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy
12 13	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy
12 13 14	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy Strategy at page 39, emphasis in original).
12 13 14 15	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy Strategy at page 39, emphasis in original). The actual costs and benefits of distributed generation facilities are difficult to completely
12 13 14 15 16	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy Strategy at page 39, emphasis in original). The actual costs and benefits of distributed generation facilities are difficult to completely validate and the current net metering structure does create a risk that electric power
12 13 14 15 16 17	secure, reliable, and resilient energy system." (New Hampshire 10-Year State Energy Strategy at page 39, emphasis in original). The actual costs and benefits of distributed generation facilities are difficult to completely validate and the current net metering structure does create a risk that electric power system costs could be shifted from net metered customers to non-net metered customers.

customers that requires the Commission to address through significant revisions to the

or issue credits for larger portions of retail rates (i.e. for rates other than supply-related

21 existing net metering tariff.

22

20

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1 Q: Should the Commission implement new alternative net metering tariffs?

2 A: The Joint Utilities do not recommend new alternative net metering tariffs at this time. The current net metering tariffs are not creating clearly unbalanced outcomes that merit 3 correcting. A growing number of New Hampshire residents and businesses are 4 5 increasingly able to make renewable energy choices that reduce their electric bills and introduce potential indirect benefits that are realized by all customers. Moreover, the 6 current net metering tariff is a workable model that is administratively efficient and 7 8 aligned with technical capabilities, further ensuring an equitable net metering program. If 9 the Commission were to consider alterations to the existing tariff, the Joint Utilities recommend that the Commission consider only limited adjustments to the existing net 10 11 metering tariffs, and that any such adjustments maintain the level of facility of administration and work within respective technical capabilities and processes to prevent 12 any incremental administrative or equipment and system costs. Costs that are not 13 14 necessarily commensurate with benefits would have an overall effect of diluting the cost effectiveness of the New Hampshire net metering program, increasing the cost shift to 15 16 non-net metered customers.

17

18 Q: Should the Commission consider alternative rate structures, including time-based
 19 tariffs?

A: Alternative rate structures are not necessary right now and would not be practicable or
 necessarily appropriate for incorporation into a net metering program in New Hampshire.
 Current rate structures provide adequate opportunity for New Hampshire customers to

1		choose renewable energy options and balance interests with non-net metered customers.
2		Adding time-varying rate structures would add significant complexity to administration
3		of the net metering program, without commensurate benefits or making the program all
4		that much more equitable than it is presently.
5		
6		Time differentiated pricing may not significantly change value for many customers, but
7		would likely require additional expenditures in meter and billing systems. Netting energy
8		over a monthly period dilutes the temporal distinction of such pricing, especially as
9		applied to any net exports, and is consistent with a non-time differentiated net meter
10		tariff. Any element of pricing associated with potential net metering alternatives must be
11		given due consideration, no matter the type of pricing structure; this includes supply,
12		transmission and distribution components of rates. Primary considerations when
13		contemplating more complex net metering tariffs include costs and cost effectiveness of
14		metering as metering technology develops, and utility data management and billing
15		systems are upgraded or replaced.
16		
17	Q:	Should monetary credit provided through net metering tariffs be adjusted to
18		include compensation for services and value currently not compensated, such as
19		avoided transmission, distribution, and capacity costs?
20		A: No, further adjustments are not required. There is no evidence that current net
21		metering tariffs undercompensate customer-generators for services and value they
22		provide. As explained previously, small customer-generators already receive credit for

1		the distribution and transmission portions of their bills. All customer-generators also
2		receive credit for excess generation at the default energy service rate, which reflects the
3		wholesale cost of generation capacity and other costs incorporated into the default energy
4		service rate. Current net metering tariffs provide credit to customer-generators in a way
5		that strikes a balance with the interests of all other customers and, as discussed
6		previously, net metering tariff designs with more expansive eligibility and offer credits
7		for larger portions of retail rates are at higher risk of shifting costs to non-net metered
8		customers as either larger credits or expanded participation can increase overall program
9		costs which are born by all customers.
10		
11	Q:	Should net metering tariffs limit the total capacity of net metering within each
12		utility's service territory?
12 13	A:	<pre>utility's service territory? No. Prior to the implementation of the currently effective alternative net metering</pre>
	A:	
13	A:	No. Prior to the implementation of the currently effective alternative net metering
13 14	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first
13 14 15	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first 100 MW of generating capacity. However, the standard net metering tariff also provided
13 14 15 16	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first 100 MW of generating capacity. However, the standard net metering tariff also provided a larger credit for excess generation to customer-generators as compared to the alternative
13 14 15 16 17	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first 100 MW of generating capacity. However, the standard net metering tariff also provided a larger credit for excess generation to customer-generators as compared to the alternative net metering tariff. In contrast, availability of the alternative net metering tariff was not
 13 14 15 16 17 18 	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first 100 MW of generating capacity. However, the standard net metering tariff also provided a larger credit for excess generation to customer-generators as compared to the alternative net metering tariff. In contrast, availability of the alternative net metering tariff was not limited regarding the total capacity of net metered facilities statewide when it was
 13 14 15 16 17 18 19 	A:	No. Prior to the implementation of the currently effective alternative net metering structure, eligibility for the original standard net metering tariff was limited to the first 100 MW of generating capacity. However, the standard net metering tariff also provided a larger credit for excess generation to customer-generators as compared to the alternative net metering tariff. In contrast, availability of the alternative net metering tariff was not limited regarding the total capacity of net metered facilities statewide when it was adopted and the Joint Utilities do not believe it needs to be limited. The current

preserve an equitable balance in customer interests. 1 2 3 4 **Q**: Should new net metering tariffs be adopted that apply to newly constructed 5 customer-generators with a total peak generating capacity of greater than one megawatt? 6 Generating facilities with total peak generating capacity of greater than 1 MW are 7 A: 8 currently permitted to interconnect to the electric distribution system by following 9 established processes, operate and obtain revenue through participation in regional 10 energy markets. The Joint Utilities take no position on whether new metering tariffs 11 should be adopted to provide such facilities greater than 1 MW another commercial option by making net metering available in lieu of directly participating in the wholesale 12 13 market, but believes there are both advantages and disadvantages that the Commission 14 should consider. 15 16 Facilities with a generating capacity of greater than 1 MW are typically able to take advantage of economies of scale and be successfully developed at lower unit cost than 17 18 smaller facilities. The installed cost of solar generating facilities greater than 1 MW 19 enrolled in the Solar Massachusetts Renewable Target ("SMART") Program has averaged \$2.13/W while the cost of facilities with capacity of 500-1,000 kW has 20 averaged \$2.43/W, a cost difference of roughly 15 percent.¹ Permitting lower cost 21

¹ Figures as of July 2023: <u>https://www.mass.gov/doc/smart-solar-tariff-generation-units</u>

1	resources to participate in net metering tariffs may expand opportunities for New
2	Hampshire customer-generators to install generating resources that reduce customer costs
3	and further diversify the generation mix of New Hampshire.
4	
5	Permitting participation of larger generating facilities in the net metering tariff may also
6	expand opportunities for more New Hampshire customers to participate in net metering
7	programs and realize cost savings from renewable generation. Puc 909 that establishes
8	the parameters of current group net metering enable customer-generators to host facilities
9	that generate electricity in excess of their own electrical usage and distribute credit for
10	that excess generation to other utility customers, either directly or through on-bill credits.
11	This structure enables customers who are less able to install onsite generation at their
12	premise to support and benefit from net metered generating facilities as group members.
13	Larger facilities may enable more customers, including low-income customers, to
14	participate in these shared generation arrangements.
15	
16	However, the Commission may also consider that larger generating facilities may be less
17	likely to provide certain benefits as compared to small distributed generation facilities.
18	Generating facilities that must be sited on larger parcels of land may be less likely to be
19	situated on portions of the distribution system where output would offset nearby loads.
20	Not only would such facilities be less likely to have beneficial impacts on net loads, their
21	operation may negatively impact system operations and require the utility to complete, at
22	the interconnecting customer's expense, upgrades to the distribution system to maintain

1		safe and reliable operations. Other New England states that have permitted facilities
2		greater than 1 MW to participate in net metering tariffs have experienced significant
3		saturation of many circuits, necessitating that utilities plan substantial system upgrades to
4		enable further distributed generation development. Lastly, the Commission should
5		consider that a 1 MW solar generating facility will require several acres of land for siting
6		and larger facilities will have commensurately larger footprints. The Commission should
7		ensure such a change remains appropriately balanced with land use policies of New
8		Hampshire communities.
9		
10	Q:	Should the Commission consider other regulatory mechanisms for customer-
11		generators?
11 12	A:	generators? Yes. The Joint Utilities recommend the Commission consider approving application fees
	A:	
12	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees
12 13	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll
12 13 14	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll growing numbers of customer-generators in net metering tariffs. Approval of modest
12 13 14 15	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll growing numbers of customer-generators in net metering tariffs. Approval of modest application fees are not expected to be a barrier to customer installation of distributed
12 13 14 15 16	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll growing numbers of customer-generators in net metering tariffs. Approval of modest application fees are not expected to be a barrier to customer installation of distributed generation, but would provide funds that would respond to changes in customer interest
12 13 14 15 16 17	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll growing numbers of customer-generators in net metering tariffs. Approval of modest application fees are not expected to be a barrier to customer installation of distributed generation, but would provide funds that would respond to changes in customer interest in clean energy options and mitigate the risk of non-net metered customers contributing
12 13 14 15 16 17 18	A:	Yes. The Joint Utilities recommend the Commission consider approving application fees that better support Joint Utilities' administrative processes to interconnect and enroll growing numbers of customer-generators in net metering tariffs. Approval of modest application fees are not expected to be a barrier to customer installation of distributed generation, but would provide funds that would respond to changes in customer interest in clean energy options and mitigate the risk of non-net metered customers contributing to the unique administrative costs of serving customers that choose to install distributed

- 21
- 22

1 Q: Please describe the administrative requirements for interconnection and enrollment 2 of customer-generators.

3 Utilities have had an increased need for dedicated staff and systems to support the A: 4 acceptance, review and approval of the significant increase in applications for customer-5 generators to interconnect to the distribution system and operate distributed generation facilities. Recent increases in distributed generation applications has required Eversource 6 to expand these resources to support service to customers. To more efficiently manage 7 8 the customer-generator enrollment process, Eversource and Unitil are in the process of 9 launching a dedicated online application portal for customer-generators, which will 10 mitigate some of the staffing needs and expedite the application process, bettering the 11 customer experience.

12

Once enrolled, billing customer-generators, sharing credits and other net metering tasks introduce unique requirements that often need some level of manual intervention to bill customer-generator accounts. The billing process also requires quality assurance and manual controls to ensure accurate billing and compliance with unique program requirements.

18

19 Q: Please describe the Joint Utility resources, broken out by utility that support, or are
 20 expected to support, interconnection and enrollment of customer-generators, as well
 21 as billing and maintenance of program administration.

22 A: As the state's largest utility, the increased interest in distributed generation in

1	Eversource's service territory has been most noticeable. As outlined previously,
2	Eversource has experienced an almost tripling of net meter applications in 2022 when
3	compared to 2021 and the 2023 year-to-date number of applications are exceeding the
4	pace established in 2022. To accommodate this increase in Net Metering Applications
5	Eversource's Distributed Generation Customer Care team who are responsible for
6	processing interconnection applications, sending project status updates, and answering
7	inquiries about the net metering program from customers and solar developers is
8	increasing staffing levels to eight employees. These personnel also participate in the
9	management of the Group Net Metering program (enrollment and annual reporting) and
10	the REC Independent Monitoring program (enrollment & quarterly reporting) as
11	mandated by DE 16-576. Additionally, there are six distribution engineers and two
12	contractor engineers who perform technical reviews of interconnection applications and
13	certificates of completion. Eversource estimates that 17% of their time is spent reviewing
14	interconnection requests. Separate from the Distribution engineers who review
15	applications and certificates of complete, Eversource has six DER Planning engineers
16	responsible for pre-applications and interconnection requests to develop scope of studies
17	and cost estimates. Approximately 60% of these employees' time is spent on these tasks,
18	which is not currently covered by existing recovery mechanisms or fees. Application
19	fees will ensure well-matched resources for the demand of distributed generation, which
20	applies to all the Joint Utilities.

21

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The range of Eversource billing department tasks required to support net metering tariff

participation include:

1

2	• Billing six different net metering programs under three tariffed rates
3	• Exception processing of billed accounts: net metered accounts don't credit on
4	their own through Eversource billing systems; the systems kick out exceptions for
5	Billing staff to take the necessary action to credit the customer account
6	• Monthly credit allocations and net meter credit payouts for Group Host accounts
7	• Alternate net metering payouts and required correspondence yearly and quarterly
8	• Standard net metering payouts and required correspondence yearly and quarterly
9	Allocation and payout approvals
10	• Meter installs, exchanges and apply appropriate net meter program to each
11	customer account
12	• Fielding customer questions, regulatory research
13	Monthly net metering controls reports
14	Required reporting of customer allocations to Group Host account
15	
16	
16	Unitil and Liberty have also experienced an increase in distributed generation
17	applications necessitating committed resources. For Unitil, the primary responsibilities
17	
18	for supporting net metering, interconnection and enrollment of customer-generators, and
19	billing and maintenance, fall within Regulatory Services, Customer Service, Distributed
20	Energy Resource group, and Customer Energy Solutions. In the Regulatory Services
20	Energy Resource group, and customer Energy Solutions. In the Regulatory Services
21	department, Unitil has one Regulatory Analyst that reviews Group Net Metering
22	applications in coordination with the Department of Energy, prepares rates for billing,
23	and maintains data for reporting. Unitil estimates that 10 to 15% of the analyst's time
24	relates to this function in New Hampshire. The Customer Service department resources
24	relates to this function in New Hampshile. The Customer Service department resources
25	that support net energy metering and billing include a Capital Biller, a Seacoast Biller,
-	
26	Billing Support Analysts, Senior Billing Process Lead, and Billing Supervisor. The work
27	they support is similar to Eversource including
• •	
28	Monthly billing of net energy metering customers
29	Fielding customer questions

1 2	 Annual true-up process of net energy metering credits Preparing monthly group host checks
2 3	 Set up and maintenance of new accounts and net energy metering credit
4	allocations
5 6	• Monthly net energy metering control reports
0	
7	Unitil estimates that 6% to 7% of the time of the group above relates to this function in
8	New Hampshire.
9	
10	Unitil's Distributed Energy Resource (DER) support team includes a dedicated DER
11	group who works solely on efforts of interconnecting DER as well as support from other
12	Customer Service, Metering, and Operations departments. The DER group consists of
13	four full-time employees and one or two temporary employees hired as needed. The full
14	time employees include a manager, two DER analysts who process residential and small
15	applications, and a DER Engineer who performs the analysis and administration for
16	larger applications. The DER group process applications for New Hampshire and
17	Massachusetts.
18	
19	In addition to the DER group, a member of the Customer Energy Solutions team supports
20	the DER interconnection efforts in answering customer questions and shepherding the
21	communications to DER customers. It is estimated that approximately 25% of their time
22	is spent supporting New Hampshire DER interconnection applications. Technical
23	support of larger DER interconnections is provided by three distribution planning
24	engineers, and the Protection Department who analyze their associated interests of larger
25	DER applications. Additional support is also provided by the Metering Department and

Operations Departments in providing cost estimates and system asset installation as
 needed.

3

4 For Liberty, the duties related to supporting net metering, facilitating interconnection and 5 customer-generator enrollment, as well as handling billing and maintenance, are assigned to the Resource Planning, Engineering, Billing, Finance, Business Community and 6 Development, Project Management, Mapping, Operations, Regulatory, and Legal 7 8 departments. Within the Resource Planning department, one dedicated Resource 9 Coordinator oversees the assessment of net metering applications at Liberty. This individual reviews and processes applications, furnishes project progress updates, 10 11 addresses inquiries about the net metering program from both customers and solar developers, and manages the necessary data for mandated reporting. In cases where 12 supplementary review or study fees are required from customers, the coordinator drafts 13 14 payment documentation. The coordinator also works with the other teams to coordinate necessary upgrades for solar installations. Monthly and annual reporting procedures also 15 16 fall within the coordinator's purview. The Coordinator's workload is exclusively dedicated to fulfilling net metering responsibilities. The Engineering department consists 17 18 of three engineers dedicated for this efforts, two full time employees and one contractor 19 who dedicate approximately 25% of their time. One full time employee processes residential and small applications, and the other full-time employee and one contract 20 21 engineer perform the analysis and administration for larger applications.

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1		customer-generators from revenues collected through base rates charged to all customers.
2		Those amounts would also expand as interest in distributed generation and the
3		corresponding requirements to support that increased interest expanded.
4		
5	Q:	Are there other anticipated benefits of approving an application fee structure for
6		customer-generators?
7	A:	Yes. Approved fees would provide responsive funding for the necessary Joint Utility
8		resources, enabling the Joint Utilities to more nimbly expand staff and enhance systems
9		to better serve customers as interest in distributed generation expands, minimizing any
10		lag by avoiding the lengthier process of making regulatory adjustments.
11		
12	Q.	Is it the position of the Joint Utilities that the current net metering tariffs result in
13		just and reasonable rates?
14	А,	Yes it is.