

NET METERING WEBINAR QUESTIONS

I. LEGISLATION

Q1: When will the proposed bills be passed onto law? Specifically the 1 percent – 3 percent cap bill, and the property tax as 5 percent of output bill?

A1: Please see Question 6.

Q2: Any idea on what are those potential changes? Related to large scale PV projects?

A2: Please see Question 6.

Q3: My understanding is that there is legislation to raise the cap. What is the DPU/DOER position on the legislation?

A3: Please see Question 6.

Q4: Can you discuss the current legislation under consideration and how it will affect the net metering environment?

A4: Please see Question 6.

Q5: Could you speak about House Bill 1776 and the potential negative impacts this will have on public projects? It appears many communities do not even know about this pending legislation. It appears this has some legs.

A5: Please see Question 6.

Q6: Can you repeat the bill number?

A6: The governor has signed S 2395, now Chapter 209 of the Acts of 2012 which comprises a number of energy related provisions including those related to increasing the net metering caps from 1 percent for private projects and 2 percent for public to 3 percent for each project category, for a total of 6 percent. It would also exempt small projects (10 kw on single phase and 25 kw on 3-phase power) from the cap entirely. The cap is the maximum generation that can be net metered by EACH distribution company based on its historical peak generation. So each distribution company can net meter 3 percent of its historical peak generation for private projects, and 3 percent of its historical peak generation for public projects, for a total of 6% of its historical peak generation. In addition, Chapter 209 of the Acts of 2012 amends net metering in order to (a) treat anaerobic digestion net metering facilities the same as solar, wind, and agricultural net metering facilities, and (b) provide specific net metering provisions for cooperative corporations.

II. CAP

Q7: Can the host customer change if the net metering caps change?

A7: The host customer is the name on the meter. You would have to consult your individual Distribution Company to determine its policies on name change.

Q8: NSTAR says it has more than 3 percent of net meter cap in the pipeline. What happens after the cap is exceeded?

A8: Under the D.P.U. 11-11 proceeding, the utilities have proposed to hire a third party administrator, the Cadmus Group, to administer a system of assurance so that individual projects know they have secured space under the cap (whether it be 1, 2, or 3 percent). There are requirements that must be met to maintain that spot under the cap, so it is possible projects that are currently on a waiting list may see cap space freed up. In no instance, however, will any project be eligible to net meter once the cap is fully occupied by operational generation units unless the statute is changed to increase that number.

Q9: Re: CAP – it seems to be a moving target. If you have a queue of projects that have “taken up” the cap how can a developer proceed with a project? Alternately, when is the net metering allocation made, and for projects that don’t move forward, when is it released?

A9: Please see Question 8.

Q10: Based on your comments regarding queue, how can a developer or entity take the risk that they will qualify for net metering? As you are aware this is a make or break issue for project decision making?

A10: Please see Question 8.

Q11: Regarding the cap for public projects, I’m not clear on what that 2 percent is based on. Is it based on the total peak generation of the utility company that you use?

A11: It is the historic peak of each distribution company – so 1 percent is: 51.31 MW for National Grid, 49.78 MW for NSTAR, 8.45 MW for WMECo and 1.02 for Fitchburg Gas & Electric.

Q12: Is there any idea when the net metering caps will be reached, or what they will be raised to?

A12: Reaching the cap depends on the commercial operation date of all projects under the cap, which is unique to each cap, although you can track the number of projects currently online and in the interconnection pipeline on each company’s website and the DG-Interconnection page <https://sites.google.com/site/massdgc/>

Q13: If the caps are reached, can the generation still be used to offset on-site load or credit other accounts in the service territory or will all net metering cease?

A13: A project that is behind the meter can always be used to reduce onsite load without applying for service as a net metering facility. Creation of credits and allocation of them, however, would require being a net metering facility. Any project that is a net metering facility under the cap continues to net meter after the cap has closed, but no new projects will be eligible to receive net metering service.

Q14: How close to the current cap are we?

A14: Currently projects only count towards the cap if they are in commercial operation, but there is also a queue of projects at each utility for interconnection. Please see relevant distribution company's website for specifics.

Q15: If the renewable facility on site behind the meter is sized and produces no excess generation or net metering credits (e.g., 20 percent of on-site load), does the system still need to fit within the 2 percent overall distribution company cap?

A15: It is the customer's choice to ask for net metering service for his/her eligible distributed generation. If there is no opportunity to generate credits because there is enough constant load to use the power solely on site, the customer should think about whether it makes sense to enroll the unit for net metering service. If it is not net metering it is not part of the cap.

Q16: If a private entity owns a 2MW solar facility and sells all of the kWhs to a public entity, would this fall into the 2 percent public entity cap?

A16: The criteria require that it be a Class II or III facility, that the host customer of the facility be a municipality or other governmental entity, and that 100 percent of the output be assigned to such entities (it can be public entities that meet the definition other than the host customer). The criteria for a "net metering facility of a municipality of other governmental entity" are spelled out in the net metering regulation 220CMR 18.00.

<http://www.mass.gov/eea/docs/dpu/cmr/220cmr1800.pdf>

For example, a third-party owned 2 MW project on private land in Town A would be considered a "public" facility if Town A was the host customer and allocating 60 percent of the credits to its accounts (Town Hall, Library, etc...) and 40 percent of the credits to the local community college accounts.

Q17: Do you know how much net metering capacity for both public and private is left?

A17: Please see Questions 6 and 12.

Q18: What's the purpose of the 1 percent/2 percent cap on net metering? Wouldn't it be beneficial to get the percentage as high as possible?

A18: The caps are set by statute - see G.L. c. 164 §§138-140 and Question 6.

Q19: What might be necessary to be placed in the queue when a queue is developed?

A19: Please see Order in D.P. U. 11-11 governing the system of assurance process.

Q20: WEMCO 1 percent cap is 8.45 MW. 6.238 MW are installed as of now, and 34.945 MW pending. Does this exceed cap?

A20: Please see Question 6 and 12.

Q21: Do you know how many MW are added each month to the net metering program?

A21: It varies by Distribution Company. Please see <https://sites.google.com/site/massdgc/>

Q22: Once the caps are met, what will be the compensation for net credits?

A22: For those projects that are receiving net metering service, the components of the credit will continue to be as defined in statute/regulation. But the dollar amount of the compensation for the credits is determined by the relevant distribution company's net metering tariff.

For projects that are not net metering, they may seek qualified facility status under FERC guidelines or otherwise participate in the wholesale energy markets. See ISO-NE and the DPU's rules for qualifying facilities ([220 C.M.R. 8.00 et al](#)) for more information.

Q23: Will approved applications be honored if cap is exceeded during the installation (policy, applications, inspections, etc)?

A23: Interconnection approval does not equate to net metering approval. The DPU has recently released an order in DPU 11-11 that clarifies the process by which projects obtain assurances of net metering.

Q24: Correction: Will there be any compensation for excess generation once the net metering caps are met?

A24: Please see Question 22.

III. CONTRACTS/GUIDANCE

Q25: An important consideration for a municipality also is "How much risk will you be taking?"

A25: This is a comment.

Q26: We have received unsolicited proposals for NMC. What types of consultants would have experience with assisting us with evaluation of proposed agreements – ESCO's , any other types of consultants? Can DOER provide standard & recommended contract language to help municipalities like you do for other energy contracts (example-Esco performance) contact? Dos and don'ts

A26: We suggest you seek advice from an attorney or other qualified individuals to review the specific terms presented.

Q27: What happens if the Third Party Owner that the municipality contract's with goes out of business?

A27: The terms of the contract should address that possibility

Q28: Do you have any model PPA or CPAs in the form of RFQ (25A) that can be shared?

A28: Model documents are currently under development and will be posted under the Green Communities section of DOER's website when available.

Q29: Do you have any guidance for municipal accounting officials as to how PPA's and credit agreements are considered on financial statements for GASB purposes (debt, leases, etc.)

A29: Accounting officers in communities that prepare financial statements consistent with GASB pronouncements should address those issues with their audit firms.

Q30: Are there any plans or existing information pulling together historical data on alternative supply costs by tariff category? In the talk, you suggest looking into such info, but this would seem to be a good place for DPU/Green Communities to help us by collecting such info. Also include what prices or savings existing projects have found.

A30: The Mass Municipal Association, with funding from the Green Communities Division, has developed an online community Massachusetts Municipal Energy Group's (MMEG), to facilitate knowledge sharing, collaboration, and networking among individuals involved in municipal energy and sustainability activities in Massachusetts. We have already seen the space used to facilitate the kind of information sharing you describe. Registration for the site is available through: <http://bit.ly/QjJ5X5>

Q31: Are there procurement requirements associated with signing up to receive net metering credits?

A31: If a municipality is seeking only the purchase of net metering credits without the involvement of any municipal land, then the procurement of those credits is exempt from G.L. c.30B under § 1 (b) (33). Similar to other exemptions, we do of course encourage appropriate due diligence before entering into any agreement.

Q32: Many of the offers we've seen are for long term photovoltaic projects. We're hesitant because it seems that a major uptick in this technology may be imminent. Can you comment on that?

A32: Please see Question 31. It is important for municipalities to conduct due diligence.

Q33: Can you provide an example of a "typical" net metering contract? What is the usual term? What other factors are usually included?

A33: There is not “typical” net metering contract. They will vary from project to project depending on wishes of the parties, developer and municipality.

IV. RATES/CREDITS

Q34: Does the host customer choose the most advantageous rate class for new systems?

A34: Rate classes are defined by each company’s tariff based generally on (a) the nature of the customer (e.g. residential v. commercial), and (b) how much load will be behind that meter. You should consult your distribution company to determine the likely rate class.

Q35: Is the virtual net metering credit rate based on the customer’s (the NM credit off-taker’s) rate or the rate associated with the renewable energy facility.

A35: The rate classification is based on the load of the Host Customer’s meter – the meter behind which the distributed generation (DG) is interconnected. This rate is based, however, on the customer’s load or usage and identity, not how much energy the DG facility is expected to generate.

Q36: In virtual net metering will the customer get full net metering credit, including transmission, if the credits are used by other customers (in your example moving credits from Provincetown to Nantucket)?

A36: The value of the credit is determined by the Host Customer’s meter rate classification and does not change upon allocation. The net metering credits are a monetary amount (e.g. \$50). When the Host Customer allocates net metering credits from their account to another account, they are in essence transferring a bill credit. The monetary value of the bill credit is independent of the identity (or associated rate class) of the recipient.

Q37: Please confirm if Net Metering Credits can be allocated from one type of rate class (for instance, G1) to another rate class (such as S1 or G3)

A37: The only limitations on allocation are that the Host Customer and the customer to whom the credits are allocated to must be in the same distribution company and load zone. Accordingly, allocations between rate classes are allowable.

Q38: What determines the rate a facility will net meter at? For instance is it a choice to net meter at G-1 G-2 or G-3 rates. Does the developer/town get to choose which meter they will use and therefore what rate they will get credits at?

A38: Please see Question 35.

Q39: In regards to a private class I installation, in a municipal utility community, is there any law or rule that mandates the credit given is 100 percent of retail or can it be, say, the average retail cost of electricity like the “LMP”?”

A39: Net metering under this statute is only for customers of investor owned utilities (NSTAR, National Grid, WMECo, and Fitchburg Gas & Electric). Any net metering program offered by a municipal light plant is solely at the discretion of the municipal light plant and is not governed by G.L. c. 164, §§ 138 and 139 (the net metering statutes).

Q40: Please clarify the elements in the credit for residential net metering? Does it include the major components: power, forward capacity & local power distribution (i.e., overhead)?

A40: The formula for calculation of net metering credits is determined by statute and clarified in the regulation. The individual component values will be found in your distribution company tariffs. See 220 CMR 18.40. <http://www.mass.gov/eea/docs/dpu/cmr/220cmr1800.pdf>

Q41: I heard of a case where a cumulative NM credit was built up before a Schedule Z was filed. Because the facility is a net exporter, it will never use the accumulated credit. Can these accumulated credits be allocated or sold?

A41: Facilities are not eligible for net metering service until awarded so by their distribution company, which includes the filing of a Schedule Z.

Q42: Is there any way to lower demand charges when assigning net metering credits from one public entity (such as a land-fill with solar) to another (such as a school)?

A42: The demand charge is not a component of the net metering credit. Net metering is a service provided to customers of distribution companies, the named customer of which is responsible for all relevant charges just like any other utility bill. Nonetheless, a net metering credit (which is a monetary credit) can offset any part of a customer's bill, even if some of the charges on the customer's bill include demand charges.

Q43: My question is: if the muni is going to be a Host Customer on a virtual net metering project, is the net metering credit for this meter set at the basic G 1 rate or at the muni's rate on its other meters in its Schedule Z (i.e. NStar charges plus basic charge from a power provider)?

A43: Please see Question 35.

Q44: Host Customer might have multiple rate classifications. Is the Host Customer rate at the meter where the array is installed – the rate that determines the net metering credit?

A44: Please see Question 35.

Q45: Should we be thinking differently about two types of situation: (a) credits from being connected behind town meter with low usage and allocating credits to other town meters vs. (b) being connected on private land miles away from the town and selling credits to the town? Do these two options produce the same economic outcome?

A45: The customer needs to do its due diligence and assess the financial implications of both and determine what makes sense.

Q46: Is the Net Metering Credit Based on the Host Customer bill or based on the usage at the town's meter at the project site? Many towns have multiple classes depending on which meter – i.e. some street-light poles, city hall, police departments all may be in different utility rate classes.

A46: Please see Question 35.

Q47: To what extent is the full residential rate credited through net metering? Do the IOU's provide credits to the full extent of their residential rate or are certain things excluded. I know the IOU's differ somewhat, but let's use an example: A utility has a Tier I rate of 16 cents/kWh. That rate includes the cost of power (purchased under long term contracts and in the D. A. market), the cost of forward capacity and transmission (New England ISO charges), and most of the utility overhead. Can we generally expect the net metering credit to be equivalent to the residential rate? If something is left out, what is it and what is the significance?

A47: Please see Question 35.

V. NET METERING CLASSES AND OTHER RULES

Q48: With new 11-10 docket, Municipalities do not have to own the meters correct?

A48: Not necessarily, but, if the facility is seeking to be a public net metering facility the Municipality may need to be the Host Customer, or the name on the meter.

Q49: What does the *mean in Class III?

A49: Please see Question 50.

Q50: Does the * mean a municipal or government gets distribution change or not?

A50: For Class III facilities the distribution change is only included in the credit calculation if the facility is a net metering facility of a municipality or other governmental entity.

Q51: What if you're over 2MW?

A51: The statute and regulations specify the size limits with Class I 60 kW and below, Class II 60 kW – 1 MW, and Class III 1-2 MW. They also state that these limits apply per unit, not per facility, for public net metering projects. For a public project, any unit over 2MW would be ineligible for net metering. For more information on size limitations for units and facilities, please see the DPU's order on this subject: [D.P.U. 11-11-C](#)

Q52: I am not clear which NM category a PV system of greater than 60 kW is in? Can you clarify/repeat?

A52: Please see Question 51.

Q53: Can a solar services company be the host and net meter to a municipality? Can the SSC net meter to an industrial company? Can an industrial Company be the Host of an offsite solar project and have net metering credits allocated back to its facility?

A53: It depends on the circumstances of the particular situation.

Q54: This slide is where you can clarify. A muni “public entity” account could receive credits, but a regular customer of a muni could not, correct?

A54: Do not understand the question. Please contact DOER if you still need clarification.

Q55: Are there three times/year you can specify who to allocate excess net metering credits to? (if you change it twice from whom you originally indentified, that makes it up to three choices.)

A55: Contact your distribution company for their policies on making changes to the Schedule Z form.

Q56: Can a public entity buy NMC from a private entity project?

A56: Yes. However, this would be considered a “private” net metering project. In order to be considered a “public” net metering project the Host Customer must be a public entity and 100 percent of the output would need to be assigned to municipalities or other governmental entities.

Q57: Is it required that the public “Host” customer be the off-taker for 100 percent of the credit, or can they allocate to other public entities? For example, can the town of Dudley be the Host and allocate credits to Charlton, and still qualify for the 2 percent cap?

A57: Yes, the regulation requires that the Host Customer be a public entity, but 100 percent of the output may be assigned to more than one municipality or other governmental entities and still qualify as “public.”

Q58: If one municipality generates excess net metering credits and allocates them to another municipality, is it legal for the host municipality to be financially compensated by the municipality receiving the credits?

A58: This is financial transaction that would be governed by the terms of the contract established between the buyer and seller.

Q59: Can a city or town get more than 10 MWs if part of a regional school system with other city and towns?

A59: Each municipality or other governmental entity individually has a hard cap of 10 MW. As such, each entity has a hard cap of 10 MW. Nonetheless, the DPU has not fully clarified how each other governmental entity is defined. Please see DPU 12-01 for more details.

Q60: How is the 10MW cap applied to regional school districts that are a part of several municipalities?

A60: Please see Question 59.

Q61: Can you please explain the obligations of a public entity with respect to working with a developer such as having the meter identify it as host customer and insurance requirements that might become its obligations?

A61: A Host Customer does incur responsibility (e.g. reporting of generation to the Distribution Company). However, neither the DPU's regulations nor the net metering tariffs place any obligation on the Host Customer's developer. The Host Customer should work with the developer to ensure that the Host Customer meets all obligations.

Q62: Please explain the difference between the 10MW cap and the Class III's 2 MW size limit.

A62: The 10MW cap is the maximum that any municipality or other governmental entity can net meter in total (note that is cap only applies to public entities). For public entities, the 2 MW cap is the maximum amount of capacity *per unit*.

For example, a town could develop five wind turbines with a generation capacity of 2 MW each. Each unit is less than or equal to 2 MW – thereby satisfying the per unit restriction – for a total installed capacity of 10 MW.

The DPU recently released an order in DPU 11-11([D.P.U. 11-11-C](#)) on how “facility” and “unit” should be defined. Please see the docket for additional details and documents.

Q63: Is there a 2 MW cap per municipal project?

A63: The statute and regulation define the three Classes of net metering on size, but for Class II and III the size limits apply to the “facility” for private projects and the “unit” for public. In addition, public entities have an overall aggregate cap of 10 MW. The DPU recently released an order in DPU 11-11([D.P.U. 11-11-C](#)) on how “facility” and “unit” should be defined. Please see that docket for additional details and documents.

Q64: Can private net metered facilities allocate net metering credit to multiple customers/off takers?

A64: Yes.

Q65: Is there any way a municipality would be able to install a 3 MW PV solar array in one location?

A65: The answer to this question depends on the definition of a solar “unit.” The DPU recently released an order in DPU 11-11([D.P.U. 11-11-C](#)) on how “facility” and “unit” should be defined. Please see that docket for additional details and documents.

Q66: Can the excess generation be allocated to a location of the customer's choice, or is that up to the distributing company?

A66: The Host Customer chooses the allocation amounts and accounts through the Schedule Z form. The limits are set by statute, in that the customer may only allocate to other customers in the same service territory and load zone.

Q67: If we contract to buy more electricity than we use (say new technological breakthroughs allow us to greatly decrease its use, as we've seen with LED) can we resell our extra capacity?

A67: Net metering credits may only be allocated once through the Schedule Z form, but the Host Customer may change amounts and recipients on the Schedule Z. Please contact your Distribution Company for details on when/how the Schedule Z may be amended.

Q68: Can government entity (town) NMC's from be allocated to individual electric accounts? (Thinking of opportunity to allow neighbors of a wind turbine to share in profits from power distribution.)

A68: The Host Customer chooses the allocation amounts and accounts through the Schedule Z form. The limits are set by statute, in that the customer may only allocate to other customers in the same service territory and load zone. However, in order to be considered a "public" net metering project 100 percent of the output would need to be assigned to municipalities or other governmental entities.

VI. OTHER

Q69: Comment: We have approached the utilities about developing an automated way to handle a higher number of virtual net metering credit recipients, and they have not been responsive.

A69: At this time, all net metering credits are allocated manually. The Distribution Companies have the ability to petition the DPU for recovery of costs associated with developing an automated system for the allocation of net metering credits. Nonetheless, from a customer's perspective, there is no restriction on the number of customers that can be allocated net metering credits.

Q70: If a community group were to engage a community solar project to take advantage of virtual net metering, is there a recommended entity type (e.g. LLC, Coop...) the community group should form to manage the array?

A70: That is a decision that should be made in consultation with private counsel on how best to meet the needs of the group.

Q71: Why so much emphasis on public projects? If 10 MW worth of credits can only go to other public entities, then public entities will be inundated with solicitations for PPA contracts because it takes a lot of entities to use 10 MW worth of credits. That will lead to difficulty for developers. If the private market was allowed to work in the same way, we would see much faster growth.

A71: This is a comment.

Q72: If a community solar garden was hosted on a non-public/private building, what benefits would the host building receive? If the system has its own meter, would it just be roof-lease payments? If the system was connected to the host building's meter, could the host building benefit from a lower demand charge or any other benefits other than lease payments?

A72: The benefit that the owner of the property receives depends on the arrangement/agreement that they enter with the Host Customer. As such there are a variety of development scenarios, each of which would have benefit potential to the owner of the property.

Q73: Can you describe how and when the RPS value for alternative compliance changes? Also, are there any sources for market transactions that are being done for RECs in MA? Does the State or MTC support REC purchases somehow? I thought they did at one point.

A73: Please see 225 CMR 14.00 which is the regulation governing RPS program. The RPS Class I ACP level is adjusted each year in response to the Consumer Price Index (CPI). The Solar Carve-Out ACP level is set by regulation and adjusted annually according to a guideline. [Alternative Compliance Payments DOER weblink](#)

Q74: Any comments on town imposing taxes on projects? Many people seem to think there is an endless pile of cash to grab in a solar project and taxes appear to be big risks for developer.

A74: All real and personal property in Massachusetts is taxable based on its fair cash valuation, unless expressly exempt. M.G.L. c. 59, §§ 2 and 38. Although M.G.L. c. 59 §5 (45) provides a property tax exemption for solar and wind energy systems, this exemption applies only to projects that are “being utilized as a primary or auxiliary power system for the purpose of heating or otherwise supplying the energy needs of property taxable” under chapter 59. The Department of Revenue’s Division of Local Services has interpreted this provision as requiring the use of the energy produced at or near the site of the taxable property and the exemption does not apply if energy is sold to the grid. For most large-scale ground-mounted projects, there is limited onsite load for a solar energy project to serve, likely negating the property tax exemption. For Power Purchase Agreements that include net metering, the cost for taxes will likely be factored into the cost for the electricity and/or net metering credits.

Q75: Does the net excess generation cover supply? Is my understanding correct that a Class I resource >60 kW such as LFG or fuel cells or hydro would not qualify for net metering?

A75: The only technologies that are eligible for net metering for facilities larger than 60 kW are solar, wind, anaerobic digestion and agricultural.

Q76: Is there going to be a webinar about private net metering arrangements? I would like to know more about CPAs

A76: There is none planned. This webinar was sponsored by DOER’s Green Communities Division, which works with the municipalities on energy issues.

Q77: Can the DOE assist in a multi community effort? Does a multi community effort have the same cap as an individual entity?

A77: Each municipality or other governmental entity individually has a cap of 10 MW. As such, each entity has a hard cap of 10 MW. This is calculated based on the Host Customer. For instance, if Town A and B are each off-taking 50 percent of the credits from a 1 MW project for which Town A is the Host Customer, then Town A has 1 MW counted against its 10 MW Cap. Please see D.P.U. 12-01 for more details on other governmental entities.

Q78: Could you please give us some advice as to how to find municipal customers, aside from unsolicited proposals?

A78: It is up to the developer to find its customers.

Q79: You characterized Model B as a NM purchase agreement. Can’t Model B simply be a PPA with a variable rate? Also, did you say that a NM purchase agreement doesn’t convey muni status to the project?

A79: Yes, Model B could be a PPA with a variable rate. Depending on the parties involved, Model B may, or may not, be a public project.

Q80: Is there any restriction on natural gas fired CHP qualifying for net metering so long as below 2 MW?

A80: CHP is only eligible for Class I, which is 60 kW and less.

Q81: What happens to the net metering relationship if a municipality's need for electricity reduces dramatically, an example being if they consolidate their waste water treatment plant?

A81: Such a possibility should be addressed by contractual discussions between the parties.

Q82: How does a PV project deal with the 2 MW cap?

A82: Please see Question 63.

Q83: If installing a stand alone: array with its own new electric service, how is the kWh value determined in order to offset through virtual net metering?

A83: All kWh are calculated through use of revenue grade meters. Also see Question 35.

Q84: Are there special rules for the islands, specifically Nantucket?

A84: The net metering rules are the same for all distribution companies, including the islands. However, Nantucket is served by Nantucket Electric Company (which does business as National Grid, but is an individual distribution company). As a distribution company, Nantucket Electric Company is subject to its own net metering cap. In addition, islands have specific electric grids that may require thorough interconnection studies.

Q85: What is being done to speed up interconnection processing? It is currently bogged down.

A85: The DPU has established a Working Group facilitated by Raab Associates that is addressing these issues with a report due back to the DPU in September. Please see D.P.U. 11-75 docket for more details and documents.

Q86: You said there must be an on-site generation (slide showing wind turbine into school). Did I misunderstand this?

A86: The definition of net metering is issuing credits for power produced on-site but in excess of current needs whereby the meter runs backwards sending such excess power back to the grid for credits.

Q87: How many towns could actually use 10 MW worth of credits?

A87: Not known – but that would be a large load.

Q88: Can you address the property tax issue as it relates to non taxable land vs. taxable land?

A88: Solar and wind systems owned by private persons or entities and constructed on governmental property for use in generating electricity for the governmental entity and producing profit for the owners of the facilities are taxable under M.G.L. c. 59, § 2B as if the lessee, occupant or user were the owner in fee of the real estate. The tax exemption ordinarily applicable to real estate of a charitable entity when occupied for charitable purposes, under M.G.L. c. 59, §5(3), will not apply if the real estate is occupied by a solar facility owned by a private company for its own profit.

Q89: Regarding unsolicited NMC offers municipalities are receiving, can we go direct to the utility to negotiate a NMC purchase agreement instead of working through a 3rd party?

A89: The statute and regulation obligate the relevant utility to take title to the power and issue a net metering credit for such power under the appropriate tariffs from net metering facilities. Utilities do not enter into net metering contracts-they issue the credits based on the tariff and the direction of the Host Customer pursuant to Schedule Z.

If a town owns the net metering facility, it will receive credits under the tariff, but a contractual relationship is necessary with a project owner and a municipality for the municipality to derive benefits from a project it does not own or operate itself.

Q90: While likely not the right place for this: Separate from my previous question for net metering and Green Communities, as a household looking for least cost supply cost, it is hard and time consuming to explore one's options. Also sometimes, the \$/kWh info is not even available ahead of time (even in the case of NSTAR basic service option). I think that the DPU should/could serve as a place where such prices are posted in a timely manner. Again sorry to bring this up in the webinar context, but I have been frustrated by this issue. It's nice to have competition at generation level for households but the information hurdle is so high that it is almost useless.

A90: The DPU website has a [Basic Service webpage](#) that includes all of the currently-in-effect basic service rates. Basic service rates for residential customers change every six months. The DPU does not forecast future basic service rates. The DPU website also has a [Competitive Supplier Webpage](#), which hopefully helps customers identify their competitive supply options.

Q91: Is there a reasonable process that will put the net metering requirements in line with the administration's goal of 400 MW of solar and does the 3 percent private and 3 percent public legislation meet the 400 MW goals.

A91: Net metering is an incentive for solar, wind and agricultural projects that are 60 kW and larger, as well as some other technologies such as combined heat and power if less than 60 kW.

The SREC program goal of 400 MW is only for solar, so the two programs are not directly connected.

Q92: Sounds like this could set up a race on the construction side since only operation projects get NM allocations—shoddy work will result.

A92: The DPU has recently adopted a system of assurance that provides people with an allocation under the net metering cap provided certain benchmarks are met which should avoid such an outcome. Please see DPU 11-11 docket for documents and additional details.

Q93: How many towns in MA have net metering contract or PPAs?

A92: Unknown.