

220 CMR 18.00: NET METERING

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18.01: Purpose and Scope

(1) Purpose. 220 CMR 18.00 governs how Distribution Companies are to provide Net Metering services to Customers consistent with the Net Metering provisions of M.G.L. c. 164, §§ 138 through 140.

(2) Scope. 220 CMR 18.00 applies to all Distribution Companies subject to the jurisdiction of the Department.

18.02: Definitions

The terms set forth in 220 CMR 18.02 shall be defined as follows, unless the context otherwise requires.

Administrator. The qualified entity selected by the Department to facilitate the System of Assurance.

Agricultural Net Metering Facility. A Renewable Energy generating facility that is operated as part of an agricultural business and is not participating in the Small Hydroelectric Net Metering Program, generates electricity, does not have a generation capacity of more than two megawatts, is located on land owned or controlled by the agricultural business, and is used to provide energy to metered accounts of the business. Agriculture has the same meaning as provided in M.G.L. c. 128, § 1A; provided that, when necessary, the Commissioner of the Department of Agricultural Resources shall determine if a business is an agricultural business and whether the facility is operated as part of that business.

Anaerobic Digestion Net Metering Facility. A facility that:

- (a) generates electricity from a biogas produced by the accelerated biodegradation of organic materials under controlled anaerobic conditions;
- (b) has been determined by the Department of Energy Resources, in coordination with the Department of Environmental Protection, to qualify under the Department of Energy Resources' regulations as a Class I Renewable Energy generating source under 225 CMR 14:00: *Renewable Energy Portfolio Standard - Class I* and M.G.L. c. 25A, § 11F; and
- (c) is interconnected to a Distribution Company.

Billing Period. The period of time set forth in a Distribution Company's terms and conditions for which a Distribution Company bills a Customer for its electricity consumed or estimated to have been consumed.

Cap Allocation. An assurance from the Administrator that a Host Customer will receive Net Metering services upon a Host Customer's receipt from a Distribution Company of notice of authorization to interconnect.

Cap Exempt Facility. Either:

- (a) a Class I Net Metering Facility that is a Renewable Energy generating facility and has a nameplate capacity rating equal to or less than ten kilowatts on a single-phase circuit or 25 kilowatts on a three-phase circuit; or

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(b) a Class II Net Metering Facility or Class III Net Metering Facility with an executed interconnection service agreement with a Distribution Company dated on or after January 1, 2021, provided that it is a Renewable Energy generating facility and serves On-site Load, other than parasitic or station load, and provided further that it is not a Net Metering Facility of a Municipality or Other Governmental Entity.

Class I Net Metering Facility. A plant or equipment that is used to produce, manufacture, or otherwise generate electricity, that has a design capacity of 60 kilowatts or less, and that is not a Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program; provided, however, that a Class I Net Metering Facility of a Municipality or Other Governmental Entity may have a generating capacity of less than or equal to 60 kilowatts per unit. Each Municipality or Other Governmental Entity may have an aggregate generating capacity of not more than ten megawatts.

Class II Net Metering Facility. An Agricultural Net Metering Facility, Anaerobic Digestion Net Metering Facility, Solar Net Metering Facility, or Wind Net Metering Facility with a generating capacity of more than 60 kilowatts but less than or equal to one megawatt; provided, however, that a Class II Net Metering Facility of a Municipality or Other Governmental Entity may have a generating capacity of more than 60 kilowatts but less than or equal to one megawatt per unit. Each Municipality or Other Governmental Entity may have an aggregate generating capacity of not more than ten megawatts.

Class III Net Metering Facility. An Agricultural Net Metering Facility, Anaerobic Digestion Net Metering Facility, Solar Net Metering Facility, or Wind Net Metering Facility with a generating capacity of more than one megawatt but less than or equal to two megawatts; provided, however, that a Class III Net Metering Facility of a Municipality or Other Governmental Entity may have a generating capacity of more than one megawatt but less than or equal to two megawatts per unit. Each Municipality or Other Governmental Entity may have an aggregate generating capacity of not more than ten megawatts.

Customer. Any person, partnership, corporation, or any other entity, whether public or private, who obtains distribution service at a customer delivery point and who is a customer of record of the Distribution Company for its own electricity consumption.

Department. Department of Public Utilities.

Distribution Company. A company engaging in the distribution of electricity or owning, operating or controlling distribution facilities; provided, however, that a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, except for facilities provided in M.G.L. c. 164, § 1A(f), steam and chilled water, or an affiliate engaged solely in the provision of such electricity, steam and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation before January 1, 1986.

Governmental Cooperative. A cooperative, organized pursuant to M.G.L. c. 164, § 136, whose members or shareholders are all Municipalities or Other Governmental Entities.

Host Customer. A Customer with a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, or Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program that generates electricity on the Customer's side of the meter.

ISO-NE. ISO New England Inc., the independent system operator for New England, or its successor, authorized by the Federal Energy Regulatory Commission to operate the New England bulk power system and administer New England's organized wholesale electricity market pursuant to the ISO NE Tariff and operation agreements with transmission owners.

Locational Marginal Price (LMP). The price of electric energy set by ISO-NE at each load zone, external interface with neighboring regions, and the hub that reflects:

- (a) the operating characteristics of, and the major constraints on, the New England transmission system at each area; and
- (b) the losses resulting from physical limits of the transmission system.

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Market Net Metering Credit. A Net Metering Credit provided by a Distribution Company for the net excess electricity generated and fed back to the Distribution Company by a New Solar Net Metering Facility and other Solar Net Metering Facilities that are not Cap Exempt Facilities after 25 years from the date that each Solar Net Metering Facility was first authorized to interconnect to the electric distribution system as provided by M.G.L. c. 164, § 139(k).

Municipality. A city or town.

Neighborhood. A geographic area within a Municipality, subject to the right of the Department to grant exceptions pursuant to 220 CMR 18.09(7), that:

- (a) is recognized by the residents as including a unique community of interests;
- (b) falls within the service territory of a single Distribution Company and within a single ISO-NE load zone; and
- (c) may encompass residential, commercial, and undeveloped properties.

Neighborhood Net Metering Facility. A Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility that:

- (a) is owned by, or serves the energy needs of, a group of ten or more residential Customers that reside in a single Neighborhood and are served by a single Distribution Company;
- (b) may also be owned by, or serve the energy needs of, other Customers who reside in the same Neighborhood and are served by the same Distribution Company as the residential Customers that own or are served by the facility; and
- (c) is located within the same Neighborhood as the Customers that own or are served by the facility.

Net Metering. The process of measuring the difference between electricity delivered by a Distribution Company and electricity generated by a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, or Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program and fed back to the Distribution Company.

Net Metering Credit. Any credit, including a Market Net Metering Credit and a Neighborhood Net Metering Credit as defined in M.G.L. c. 164, § 138, provided by a Distribution Company for the net excess electricity generated and fed back to the Distribution Company by a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, Neighborhood Net Metering Facility, or Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program.

Net Metering Facility of a Municipality or Other Governmental Entity. A Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility:

- (a) that is owned or operated by a Municipality or Other Governmental Entity; or
- (b) of which the Municipality or Other Governmental Entity is the Host Customer and is assigned 100% of the output.

New Solar Net Metering Facility.

- (a) A Solar Net Metering Facility that submits an application for a Cap Allocation to the System of Assurance after September 26, 2016 for the entire capacity of the Solar Net Metering Facility; or
- (b) A Solar Net Metering Facility that submits an application for a Cap Allocation to the System of Assurance before September 26, 2016, but which is subsequently deemed complete by the Administrator and does not receive a Cap Allocation from the Administrator until after January 8, 2017; or
- (c) A Solar Net Metering Facility that submits an application for a Cap Allocation to the System of Assurance before September 26, 2016, is subsequently deemed complete by the Administrator and receives a Cap Allocation before or on January 8, 2017, but that seeks to expand the generating capacity at a later date after September 26, 2016, such that the entire facility, including the expanded generating capacity, is a Class II Net Metering Facility or Class III Net Metering Facility.

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On-site Load. Any new or existing electric load located at the site of a Net Metering facility, other than parasitic load that may result from the installation and operation of the Net Metering facility, and that is wired to be served by a portion of the electrical energy output from the Net Metering facility before the balance of such output passes through the Net Metering facility's metered interconnection onto the electric grid. An energy storage system, as defined in M.G.L. c. 164, § 1, does not constitute On-site Load.

Other Governmental Entity. A department or agency of the Federal government or of the Commonwealth, and any other entity as approved by the Department.

Renewable Energy. Energy generated from any source that qualifies as a Class I or Class II Renewable Energy generating source under M.G.L. c. 25A, § 11F; provided, however, that after conducting administrative proceedings, the Department of Energy Resources, in consultation with the Department of Agricultural Resources, may add technologies or technology categories.

Small Hydroelectric Net Metering Facility. A facility for the production of electrical energy that uses water to generate electricity, with a nameplate capacity of two megawatts or less, and is interconnected to a Distribution Company.

Small Hydroelectric Net Metering Program. A distinct technology-specific Net Metering program wherein each Small Hydroelectric Net Metering Facility that seeks to net meter while the program is open participates in a separate cap and generates a Net Metering Credit pursuant to M.G.L. c. 164, § 139A.

Solar Net Metering Facility. A facility for the production of electrical energy that uses sunlight to generate electricity and is interconnected to a Distribution Company.

System of Assurance. The Massachusetts System of Assurance of Net Metering Eligibility, as established by the Department pursuant to M.G.L. c. 164, § 139(g).

Wind Net Metering Facility. A facility for the production of electrical energy that uses wind to generate electricity and is interconnected to a Distribution Company.

18.03: Net Metering Services

(1) Each Distribution Company shall provide services to Customers and Host Customers necessary to permit Net Metering, including those related to interconnection, metering, calculation, and billing of Net Metering Credits, as provided by 220 CMR 18.04 and as specified in a Distribution Company's Net Metering tariff pursuant to 220 CMR 18.09(2) and (3).

(2) No Distribution Company may impose a special fee on a Host Customer with a Class I Net Metering Facility, including a New Solar Net Metering Facility, such as backup charges and demand charges, or additional controls or liability insurance, except for a monthly minimum reliability contribution or other fee approved by the Department in a ratemaking proceeding, provided that the facility meets the other requirements of the interconnection tariff, and all relevant safety and power quality standards.

(3) Each Distribution Company shall calculate a Net Metering Credit as set forth in 220 CMR 18.04, and not bill a Host Customer for kilowatt-hour usage, for any Billing Period in which the kilowatt-hours generated by a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, New Solar Net Metering Facility, or Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program exceed the kilowatt-hour usage of the Host Customer.

(4) Each Distribution Company shall bill a Host Customer for net excess consumption for any Billing Period in which the kilowatt-hours consumed by a Host Customer exceed the kilowatt-hours generated by a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, New Solar Net Metering Facility, or Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program.

18.04: Calculation of Net Metering Credits

(1) For a Class I Net Metering Facility that is a Wind Net Metering Facility, Class I Net Metering Facility that is a Solar Net Metering Facility, Class I Net Metering Facility that is an Agricultural Net Metering Facility, Class I Net Metering Facility that is an Anaerobic Digestion Net Metering Facility, Class II Net Metering Facility, a Net Metering Facility of a Municipality or Other Governmental Entity, or a Solar Net Metering Facility that receives approval by Department order, except those Solar Net Metering Facilities governed by 220 CMR 18.04(3) and (4), each Distribution Company shall calculate for each Billing Period a Net Metering Credit equal to:

(a) 100% of the net excess kilowatt-hours, by time-of-use, if applicable, multiplied by the sum of the following Distribution Company charges applicable to the rate class under which the Host Customer takes service:

1. basic service kilowatt-hour charge in the ISO-NE load zone where the Host Customer is located;
2. distribution kilowatt-hour charge;
3. transmission kilowatt-hour charge; and
4. transition kilowatt-hour charge;

(b) Except that a Class I Net Metering Facility that is a Solar Net Metering Facility, Class II Net Metering Facility that is a Solar Net Metering Facility, or a Class III Net Metering Facility that is a Solar Net Metering Facility shall receive Market Net Metering Credits as provided in 220 CMR 18.04(3) or (4) after 25 years from the date on which the Solar Net Metering Facility was first authorized to interconnect to the distribution system.

(2) For a Class I Net Metering Facility other than a Class I Net Metering Facility that is a Wind Net Metering Facility, Class I Net Metering Facility that is an Agricultural Net Metering Facility, Class I Net Metering Facility that is an Anaerobic Digestion Net Metering Facility, or a Class I Net Metering Facility that is a Solar Net Metering Facility, each Distribution Company shall calculate a Net Metering Credit for each Billing Period as the product of the:

- (a) 100% of the net excess kilowatt-hours, by time-of-use, if applicable; and
- (b) average monthly clearing price at the ISO-NE.

(3) For a Class I Net Metering Facility that is a New Solar Net Metering Facility, Class II Net Metering Facility that is a New Solar Net Metering Facility, or Class III Net Metering Facility that is a New Solar Net Metering Facility, except for those Solar Net Metering Facilities governed by 220 CMR 18.04(4), each Distribution Company shall calculate for each Billing Period a Market Net Metering Credit equal to 60% of the net excess kilowatt-hours, by time-of-use, if applicable, multiplied by the sum of the Distribution Company's:

- (a) basic service kilowatt-hour charge in the ISO-NE load zone where the Host Customer is located;
- (b) distribution kilowatt-hour charge;
- (c) transmission kilowatt-hour charge; and
- (d) transition kilowatt-hour charge.

(4) For a New Solar Class I Net Metering Facility that is a Cap Exempt Facility, or a New Solar Net Metering Facility, of which the Municipality or Other Governmental Entity is the Host Customer and only allocates Net Metering Credits to the accounts of other customers that could also qualify as a Municipality or Other Governmental Entity, each Distribution Company shall calculate for each Billing Period a Market Net Metering Credit equal to 100% of the net excess kilowatt-hours, by time-of-use, if applicable, multiplied by the sum of the Distribution Company's:

- (a) basic service kilowatt-hour charge in the ISO-NE load zone where the Host Customer is located;
- (b) distribution kilowatt-hour charge;
- (c) transmission kilowatt-hour charge; and
- (d) transition kilowatt-hour charge.

(5) For a Neighborhood Net Metering Facility or a Class III Net Metering Facility other than a Net Metering Facility of a Municipality or Other Governmental Entity, and those Solar Net Metering Facilities governed by 220 CMR 18.04(3) or (6), each Distribution Company shall calculate for each Billing Period a Net Metering Credit equal to:

- (a) 100% of the net excess kilowatt-hours, by time-of-use, if applicable, multiplied by the sum of the Distribution Company charges applicable to the rate class under which the Host Customer takes service:

18.04: continued

1. basic service kilowatt-hour charge in the ISO NE load zone where the Host Customer is located;
 2. transmission kilowatt-hour charge; and
 3. transition kilowatt-hour charge;
- (b) Except that a Solar Net Metering Facility that is a Neighborhood Net Metering Facility shall receive Market Net Metering Credits, as provided in 220 CMR 18.04(6), after 25 years from the date on which it was first authorized to interconnect to the distribution system; and
- (c) Except those Class III Net Metering Facilities governed by 220 CMR 18.04(1)(b).
- (6) For a New Solar Net Metering Facility that is a Neighborhood Net Metering Facility, each Distribution Company shall calculate for each Billing Period a Market Net Metering Credit equal to 60% of the net excess kilowatt hours, by time-of-use, if applicable, multiplied by the sum of the Distribution Company's:
- (a) basic service kilowatt-hour charge in the ISO-NE load zone where the Host Customer is located;
 - (b) transmission kilowatt-hour charge; and
 - (c) transition kilowatt-hour charge.
- (6A) For a Small Hydroelectric Net Metering Facility that is participating in the Small Hydroelectric Net Metering Program, each Distribution Company shall calculate for each Billing Period a Net Metering Credit equal to 100% of the net excess kilowatt-hours, by time-of-use, if applicable, multiplied by the Distribution Company's basic service kilowatt-hour charge in the ISO-NE load zone where the Host Customer is located.
- (7) The calculation of Net Metering Credits under 220 CMR 18.04 shall not include the demand side management and renewable energy kilowatt-hour charges set forth in M.G.L. c. 25, §§ 19 through 20, nor shall it include the per kilowatt-hour surcharge or surcharges provided for by 220 CMR 18.09(4).
- (8) For any Billing Period for which a Distribution Company calculates a Net Metering Credit for a Host Customer, the Distribution Company shall apply the Net Metering Credit to the Host Customer's account for the subsequent Billing Period, unless the Host Customer provides otherwise pursuant to 220 CMR 18.05.

18.05: Allocation of Net Metering Credits

- (1) Net Metering Credits shall be allocated to Customer accounts by each Distribution Company as follows:
- (a) For a Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility that is not a New Solar Net Metering Facility or not a Cap Exempt Facility that is also a Class II Solar Net Metering Facility or Class III Solar Net Metering Facility, or a Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program, each Distribution Company shall allocate Net Metering Credits, as designated in writing by the Host Customer, to other Customers who are in the Distribution Company's service territory and are located in the same ISO NE load zone. The manner and form of credit designation shall be as specified in the Distribution Company's Net Metering Tariff pursuant to 220 CMR 18.09(2). Notwithstanding the foregoing, if the Host Customer of a Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility is a Municipality or Other Governmental Entity, including a Governmental Cooperative, it may direct its Distribution Company to allocate Net Metering Credits only to other Customers that are Municipalities or Other Governmental Entities.
 - (b) For a New Solar Net Metering Facility or a Cap Exempt Facility that is also a Class II Solar Net Metering Facility or a Class III Solar Net Metering Facility, each Distribution Company shall allocate Net Metering Credits, as designated in writing by the Host Customer, to other Customers who are Customers of a Distribution Company located in the Commonwealth and may allocate credits to customers in more than one Distribution Company service territory. The manner and form of credit designation shall be as specified in the Distribution Company's Net Metering Tariff pursuant to 220 CMR 18.09(2). Notwithstanding the foregoing, the Host Customer of a Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility that is a Municipality or Other Governmental Entity, including a Governmental Cooperative, may direct its Distribution Company to allocate Net Metering Credits only to other Customers that are Municipalities or Other Governmental Entities.

18.05: continued

(c) For a Neighborhood Net Metering Facility, the Distribution Company may only allocate Net Metering Credits to residential or other Customers who reside in the same Neighborhood in which the Neighborhood Net Metering Facility is located and have an ownership interest in, or are served by, the Neighborhood Net Metering Facility.

(2) The Distribution Company shall carry forward, from Billing Period to Billing Period, any remaining Net Metering Credit balance.

(3) For a Class III Net Metering Facility, including a Class III Net Metering Facility that is a New Solar Net Metering Facility, and a Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program, a Distribution Company may elect to pay to the Host Customer Net Metering Credits rather than allocating such credits pursuant to 220 CMR 18.05(1).

(4) For a Class II Net Metering Facility or Class III Net Metering Facility that is also a Cap Exempt Facility, a Distribution Company shall credit or pay the Host Customer for any Net Metering Credits that are accrued in excess of its annual electricity consumption for the period running from April through the following March. The value of such excess Net Metering Credits shall be equal to the Distribution Company's Avoided Cost Rate as determined pursuant to 220 CMR 18.05(5).

(5) The Avoided Cost Rate is based on data used by ISO-NE to set prices for energy purchases and sales. A Distribution Company's annual payout amount for Net Metering Credits shall be derived by applying an adjustment factor to the value of the Net Metering Credits that accrued during the preceding 12-month period beginning from April of the preceding year and are remaining on the Host Customer's billing account as of March 31st of the current year. The adjustment factor ratio shall be the average monthly LMP rate that was realized by the settlement of the output of Net Metering facilities with ISO NE, divided by the average monthly Net Metering Credit rate that the Net Metering facility received from the Distribution Company, weighted by the monthly net excess electricity generated by the Net Metering Facility.

18.06: Eligibility for Net Metering

(1) Distribution Companies shall not provide Net Metering services to a Host Customer who is an electric company, generation company, aggregator, supplier, energy marketer, or energy broker, as those terms are used in M.G.L. c. 164, §§ 1 and 1F and 220 CMR 11.00: *Rules Governing the Restructuring of the Electric Industry*.

(2) A Governmental Cooperative shall not be considered an electric company, generation company, aggregator, supplier, energy marketer or energy broker, as those terms are used in M.G.L. c. 164, §§ 1 and 1F and 220 CMR 11.00: *Rules Governing the Restructuring of the Electric Industry*.

18.07: Net Metering Capacity

(1) Each Distribution Company shall make Net Metering services available to Host Customers, except for Host Customers of a Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program, such that the aggregate capacity of:

(a) Net Metering facilities that are not Net Metering Facilities of a Municipality or Other Governmental Entity does not exceed 7% of the Distribution Company's highest historical peak load; and

(b) Net Metering Facilities of a Municipality or Other Governmental Entity does not exceed 8% of the Distribution Company's highest historical peak load.

(1A) Distribution Companies shall make an aggregate capacity of 60 megawatts statewide of Net Metering services available to Host Customers of Small Hydroelectric Net Metering Facilities. This aggregate capacity shall be in addition to that applicable to the Net Metering services available under 220 CMR 18.07(1).

18.07: continued

- (2) The maximum amount of generating capacity eligible for Net Metering by a Municipality or Other Governmental Entity shall be ten megawatts, as determined by the sum of the nameplate ratings of Class I Net Metering Facilities, Class II Net Metering Facilities, and Class III Net Metering Facilities, including a Class I Net Metering Facility that is a New Solar Net Metering Facility, a Class II Net Metering Facility that is a New Solar Net Metering Facility, and a Class III Net Metering Facility that is a New Solar Net Metering Facility for which the Municipality or Other Governmental Entity is the Host Customer, except as provided in 220 CMR 18.07(6).
- (3) Each Distribution Company shall identify on an annual basis its highest historical peak load and post that data on its website by February 1st of the following year.
- (4) For the purpose of calculating the aggregate capacity of Class I Net Metering Facilities, Class II Net Metering Facilities, Class III Net Metering Facilities, including a New Solar Net Metering Facility, and Small Hydroelectric Net Metering Facilities participating in the Small Hydroelectric Net Metering Program, the capacity of:
- (a) A Solar Net Metering Facility shall be 80% of the facility's direct current rating at standard test conditions; and
 - (b) All other non-solar Net Metering facilities shall be the facility's nameplate rating in alternating current.
- (5) A Cap Exempt Facility shall be exempt from the calculation of the aggregate capacity of Net Metering facilities.
- (6) A Municipality or Other Governmental Entity that is a member of a Governmental Cooperative may transfer any or all of the Net Metering generating capacity associated with one or more Class II or III Net Metering Facilities, including a Class II Net Metering Facility that is a New Solar Net Metering Facility or a Class III Net Metering Facility that is a New Solar Net Metering Facility, to said Governmental Cooperative by providing written assent to the Governmental Cooperative and obtaining approval from the Department.
- (7) A Governmental Cooperative may serve as a Host Customer for a Net Metering Facility of a Municipality or Other Governmental Entity for all capacity allocated pursuant to 220 CMR 18.07(6) and its own capacity as an Other Governmental Entity, provided that the Net Metering Credits for which such Governmental Cooperative serves as Host Customer shall only be allocated to that same Governmental Cooperative or its members.
- (8) Notwithstanding the capacity limits set forth in 220 CMR 18.07, a Class I Net Metering Facility shall be eligible for Net Metering if it qualifies under the Department of Energy Resources' regulations as a Class I Renewable Energy generating source under 225 CMR 14.00: *Renewable Energy Portfolio Standard - Class I* and M.G.L. c. 25A, § 11F and is a Cap Exempt Facility.

18.08: Net Metering Reports

- (1) Each Distribution Company shall track at least the following:
- (a) the size, generation type, Net Metering class, fuel type, and the Municipality within which each Net Metering facility receives Net Metering services;
 - (b) the size, generation type, fuel type, and the Municipality within which each Net Metering facility has requested interconnection with the Distribution Company; and
 - (c) the aggregate capacity of Net Metering facilities that have interconnected, and that have requested interconnection, to the Distribution Company.
- (2) Each Distribution Company shall file with the Department information regarding the provision of Net Metering services to its Customers, in a format and according to a schedule as determined by the Department.
- (3) Each Distribution Company shall post data to a publicly accessible website tracking the aggregate capacity of eligible Net Metering facilities that have connected, and that have requested interconnection, relative to the Net Metering capacity set forth in 220 CMR 18.07. The data shall be updated on a monthly basis.

18.09: Miscellaneous

- (1) The provision of Net Metering services does not entitle Distribution Companies to ownership of, or title to, the Renewable Energy or environmental attributes, including Renewable Energy certificates, associated with any electricity produced by a Net Metering facility.
- (2) Each Distribution Company shall implement its responsibilities and obligations regarding the provision of Net Metering services to Customers and Host Customers pursuant to a Department-approved tariff.
- (3) Each Distribution Company shall implement its responsibilities and obligations regarding the provision of interconnection services to Customers and Host Customers pursuant to a Department-approved tariff.
- (4) Each Distribution Company shall be allowed to recover the aggregate of the distribution portion of any Net Metering Credits and the Distribution Company delivery charges displaced by a Class I Net Metering Facility, Class II Net Metering Facility, Class III Net Metering Facility, including a New Solar Net Metering Facility, or a Small Hydroelectric Net Metering Facility participating in the Small Hydroelectric Net Metering Program through a uniform per kilowatt-hour surcharge or surcharges billed to all of its Customers on an annual basis.
- (5) Nothing in 220 CMR 18.00 is intended in any way to limit eligibility for Net Metering services based upon a third-party ownership or financing agreement related to a Net Metering facility, where Net Metering services would otherwise be available.
- (6) Unless otherwise indicated, all capacity and energy measurements referenced in 220 CMR 18.00 refer to alternating current.
- (7) The Department may, where appropriate, grant an exception from any provision of 220 CMR 18.00.

18.10: Monthly Minimum Reliability Contribution

Distribution Companies may submit to the Department proposals for a monthly minimum reliability contribution to be included on electric bills for distribution utility accounts that receive Net Metering Credits provided that the Department receives a proposal from such Distribution Company and subsequently approves the monthly minimum reliability contribution pursuant to M.G.L. c. 164, § 139(j).

18.11: Small Hydroelectric Net Metering Program

- (1) The Small Hydroelectric Net Metering Program shall remain open until the Department certifies that the aggregate capacity of Small Hydroelectric Net Metering Facilities participating in the program is equal to 60 megawatts.
- (2) While the Small Hydroelectric Net Metering Program is open, any Small Hydroelectric Net Metering Facility that seeks to net meter must participate in the Small Hydroelectric Net Metering Program and generate Net Metering Credits pursuant to 220 CMR 18.04(6A).
- (3) Once the Department certifies that the aggregate capacity of Small Hydroelectric Net Metering Facilities participating in the program is equal to 60 megawatts, a Small Hydroelectric Net Metering Facility shall:
 - (a) apply for Net Metering services as a Class I Net Metering Facility;
 - (b) generate Net Metering Credits pursuant to 220 CMR 18.04(2); and
 - (c) apply for a Cap Allocation pursuant to 220 CMR 18.07(1), if it is not a Cap Exempt Facility.

REGULATORY AUTHORITY

220 CMR 18.00: M.G.L. c. 164, §§ 138 through 140.