



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 17-140

October 3, 2017

Joint Petition of Electric Distribution Companies for Approval of Model Solar Massachusetts Renewable Target Tariff pursuant to An Act Relative to Solar Energy, St. 2016, c. 75, § 11(b), 225 CMR 20.00.

On September 12, 2017, Fitchburg Gas and Electric Light Company d/b/a Unutil (“Unutil”), Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (“National Grid”), and NSTAR Electric Company and Western Massachusetts Electric Company, each d/b/a Eversource Energy (“Eversource”) (collectively “Electric Distribution Companies”) filed a Solar Massachusetts Renewable Target tariff (“SMART Provision”) to implement An Act Relative to Solar Energy, St. 2016, c. 75, § 11(b), G. L. c. 25A, § 6, and 225 CMR 20.00 (“SMART Program Regulations”). The SMART Program Regulations establish a voluntary statewide solar incentive program (“SMART Program”). 225 CMR 20.00. The SMART Regulations encourage the Electric Distribution Companies to jointly develop and submit a SMART Provision to the Department of Public Utilities (“Department”) for review and approval. 225 CMR 20.02, 20.05(2), 20.07(3)(a)(11). The Department has docketed this petition as D.P.U. 17-140.

The SMART Provision includes: (1) incentive payments for the Massachusetts Renewable Energy Portfolio Standard Class I renewable generation and/or environmental attributes produced by a qualifying solar facility; (2) alternative on-bill credits for energy generated by a qualifying standalone solar facility; (3) a method for the Electric Distribution Companies to determine incentive payments and alternative on-bill credits; and (4) a mechanism for the Electric Distribution Companies to recover the costs of incentive payments, alternative on-bill credits, and incremental administrative costs associated with the SMART Program. SMART Program participation requirements include at least the following: (1) compliance with the relevant distribution company’s interconnection of distributed generation tariff; (2) metering requirements; and (3) ISO New England Inc. registration associated with the settlement of renewable energy certificates. Incentive payments under the SMART Provision will be available to an owner or authorized agent of a qualifying solar facility with a total installed capacity of less than or equal to five megawatts alternating current that is interconnected to a distribution company’s electric distribution

system. In lieu of receiving incentive payments, the SMART Provision provides for alternative on-bill credits for qualifying standalone solar facilities calculated at the respective distribution company's basic service rate that may be transferred to other customer accounts within a distribution company's service territory. The Electric Distribution Companies further propose to recover the annual incremental costs associated with the SMART Program through a fixed charge ("SMART Factor"). The amount to be recovered through the SMART Factors on an annual basis is proposed to be calculated as the sum of: (1) the estimated annual incentive payments and alternative on-bill credits less estimated market revenue; (2) the administrative costs incurred during the prior program year, including the costs for a solar program administrator, billing system upgrades, incremental personnel, and incremental meter reading; and (3) a reconciliation amount that is the difference between (a) the actual incentive payments, alternative on-bill credits, market revenue, and administrative costs incurred in the prior program year and (b) the amount of revenue billed by a distribution company through the SMART Factors during the prior year. The amount to be recovered through the SMART Factors, if approved, would be allocated to each rate class based upon the distribution revenue allocators approved by the Department in each distribution company's most recent distribution rate case.

The Electric Distribution Companies state that they are not seeking approval of specific costs at this time because they will not file the respective SMART Factors until no earlier than 30 days after the Department issues a final Order approving compliance tariffs. Further, the initial procurement to determine the base compensation rates available through the SMART Program will be completed in December 2017. Therefore, costs relating to the SMART Provision are not known. As such, there are no estimated bill impacts available at this time. The Electric Distribution Companies may provide estimated bill impacts in early 2018.

Attorney General Maura Healey ("Attorney General"), through the office of ratepayer advocacy, may intervene, appear and participate in Department proceedings on behalf of any group of consumers in connection with any matter involving rates of an electric company or gas company. On September 19, 2017, the Attorney General submitted a notice of intervention on behalf of the Electric Distribution Companies' ratepayers in this case. Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General filed a notice of retention of experts and consultants to assist in her investigation of the Electric Distribution Companies' filing. The Attorney General has requested Department approval to spend up to \$150,000. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered by the Electric Distribution Companies in each company's rates.

The Department will conduct a **public hearing** immediately followed by a **procedural conference** on the proposed SMART Provision, on **Tuesday, October 24, 2017, beginning at 10:00 a.m.**, at the Department's offices, One South Station, 5th Floor, Boston,

Massachusetts, 02110. Additionally, the Department may conduct a technical conference, if necessary, at a later date. Reasonable accommodations at public hearings for people with disabilities are available upon request. Include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Please provide as much advance notice as possible. Last minute requests will be accepted, but may not be able to be accommodated. Contact the Department's Americans with Disabilities Act ("ADA") coordinator at DPUADACoordinator@state.ma.us or (617) 305-3642. Any person interested in participating may appear at the public hearing or submit **written comments** on the Electric Distribution Company's filing and the Attorney General's request to retain experts and consultants to the Department not later than 5:00 p.m. on **October 24, 2017**. The Department will address a reply comment deadline at the procedural conference. The Department anticipates that a number of persons will be interested in this proceeding, and encourages interested persons to present consensus positions and submit comments jointly, when possible.

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department no later than the close of business on **October 19, 2017**. A petition for leave to intervene must satisfy the timing and substantive requirements of 220 CMR 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 CMR 1.01(4). To be allowed, a petition under 220 CMR 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10. Individuals and entities granted intervenor and limited participant status will be added to the service list in this docket.

Any person who desires to file written comments shall file an original and one (1) copy of such written comments with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, Massachusetts, 02110. All documents should also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dpu.efiling@state.ma.us and the hearing officer Staci.Rubin@state.ma.us; or (2) on a CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 17-140); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. Documents filed with the Department will be available for public inspection at its offices during business hours and through our website by looking up the docket by its number in the docket database at <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (insert 17-140). To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at DPUADACoordinator@state.ma.us or (617) 305-3642.

In addition, one copy of all written comments should be sent to the Electric Distribution Companies' attorneys:

- Gary Epler, Esq., 6 Liberty Lane West, Hampton, NH 03842, counsel for Fitchburg Gas and Electric Light Company d/b/a Unitil;
- Laura C. Bickel, Esq., 40 Sylvan Road, Waltham, MA 02451, counsel for Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid; and
- John K. Habib, Esq., Keegan Werlin LLP, 265 Franklin Street, Boston, MA 02110, counsel for NSTAR Electric Company and Western Massachusetts Electric Company, each d/b/a Eversource Energy.

Any person desiring further information regarding the Electric Distribution Company's filing should contact their Counsel: Unitil at (603) 773-6440; National Grid at (781) 907-1846; and Eversource at (617) 951-1400. For further information regarding this notice, please contact Staci Rubin, Hearing Officer, Department of Public Utilities, at (617) 305-3592.