

February 4, 2020

Via Overnight-Mail and Electronic-Mail

NHPUC 5FEB'20AN9:39

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit St, Suite 10
Concord, N.H. 03301-2429

RE: Docket DRM 19-158, New Hampshire Code of Administrative Rules Chapter Puc 900 Net Metering for Customer-Owned Renewable Energy Generation Resources of 1,000 Kilowatts or Less Comments of Unitil Energy Systems, Inc.

Dear Secretary Howland,

Unitil Energy Systems, Inc. ("Unitil") appreciates the opportunity to provide comments regarding the Puc Chapter 900 rules governing net metering for customer-owned renewable generation resources of 1,000 kilowatts (kW) or less as discussed in the Order of Notice opening Docket 19-158. Unitil offers substantive comments related to three sections within the proposed rule changes: Puc 903.03 Where Multiple Projects are Deemed a Single Facility, the Office of the Consumer Advocate's (OCA) proposed addition to Puc 904.02 regarding interconnection application requirements for small customer generators, and Puc 909 Group Net Metering.

Puc 903.03 Where Multiple Projects are Deemed a Single Facility

The Company's main concern with the proposed changes relates to enforcement. The purpose of the rule is to ensure that properties are not

Carleton B. Simpson Regulatory Counsel simpsonc@unitil.com subdivided to accommodate multiple qualifying net metered facilities. Under (a) in the proposed rule, if multiple metered generating units were proposed, the utility lacks any proactive way to obtain information regarding adjacent parcels and whether such parcels should be considered when evaluating qualifications for net metering. Such ambiguity could allow customers-generators to game the system by subdividing property and filing interconnection applications for multiple discrete systems. The real property on which systems are proposed is not scrutinized in detail during the technical review by interconnection engineering while processing applications.

The Company recommends that the rule include additional provisions for the customer to prove that a project is in fact eligible for net metering. Suggested changes include:

- Defining the term "Project"
- Clarify 903:03(c)(1) which is vague and difficult to enforce as customer load changes and additional generation (over the customer peak load) to primarily serve load must be considered
- Add a comma to Puc 902.10 (902.12 as proposed) defining "Facility" as
 follows: "'Facility' means the electricity generating equipment, powered by
 renewable energy or that employs a heat led combined heat and power
 system, interconnected with the electric distribution system through any
 one retail meter or more than one retail meter, installed or to be installed
 in accordance with Puc 903.03.""

<u>Proposed Addition to 904:02 (either as part of (d) or a new subsection (e) that follows (d))</u>

The OCA proposal would eliminate the requirement for small customer generators (100 kW or less) to provide within an interconnection application: 1) generator manufacturer, model name, and model number; 2) the number of phases of the unit, whether single or 3-phase; and 3) the inverter manufacturer,

model name, and model number. Such manufacturer-specific information is important to ensure the Company's interconnection engineers understand the type of protection and anti-islanding algorithms utilized within the proposed system. Varying equipment manufacturers use different protection algorithms; the Company maintains records of these features, as the aggregate of the different types of algorithms can affect the speed at which an inverter reacts to an island and trips off-line. The Company additionally uses model and manufacturer information to ensure as-built systems which are reviewed prior to approving the interconnection.

Currently, if the applicant changes equipment after the approval to install is received, the customer may notify the Company to review the change and determine whether further evaluation is required. However, the Company understands that equipment specifications may change post application, especially for smaller systems (25 kW and under), and that the impacts to the electric distribution system are less severe for systems 25 kW and below than systems at the higher end of the scale (up to 100 kW). If the OCA's proposed revisions only pertained to systems with a nameplate generating capacity of 25 kW or less, the Company could support such revisions to Puc 904.02.

Puc 909 Group Net Metering

Unitil's suggested language changes to the Staff's recommendation are as follows:

- 909.06 (b) (4): Add highlighted text: "The host shall notify the commission of changes, and the date on which each occurs, to the group membership on an annual basis pursuant to Puc 909.07."
- 909.06 (c) (2): Unitil agrees with the comments of Public Service Co. of NH d/b/a Eversource at the public hearing that 5 business days may not be sufficient to implement group member changes and that at least 10 business days shall allow for more time to make such changes.

- 909.06 (c) (4): Add highlighted text: "In the event a member has moved within the current distribution utility's service territory, the member's credit percentage allocation for the applicable meter shall continue to accrue until the implementation of (2) above following the submission and approval of the information required in (e) below pursuant to the applicable schedule specified in (1) above"
- 909.06 (c) (5): Add/remove highlighted text: "If the meter of a member's billing account becomes inactive, the credit percentage allocation for the account associated with that meter shall be redistributed to the host until the implementation of (2) above following the submission and approval of the information required in (e) below pursuant to the applicable schedule specified in (1) above."
- 909.06 (e) (2): Add text: "For a group adding or removing members, each departing member's name, billing address, service address, account number, meter number, projected annual load, percentage allocation, date of member change, and low-moderate income status, as applicable;"
- 909.06 (e) (3): Add text: "For a group adding or removing members, each new member's name, billing address, service address, account number, meter number, projected annual load, percentage allocation, date of member change, and low-moderate income status, as applicable;"
- 909.09 (d): Add text: "For groups participating in on-bill crediting, member information and credit allocation percentages shall be provided in xls format."
- The Company suggests removal of the language below as it introduces additional complexity with regards to credit/debit balances above the normal existing procedure for group hosts. Furthermore, the section as drafted adds the complication of administration of the utility 1099 form to the customer for income associated with net metering credit payments not matching the actual amount of the credit that was earned as a result of their surplus generation. Unitil prefers to issue payment and 1099 only for

the credit earned with the remaining balance to be paid by the host to the utility.

o 909.13 (c): Remove text: "The group host of a low-moderate income community solar project shall have the option to receive payment from the electric distribution utility on a monthly basis equal to the host's on-bill monetary credit amount in excess of the host's billed charges for the billing period."

Unitil appreciates the opportunity to provide feedback regarding the Puc Chapter 900 Rules and welcomes participation in future discussions. Please do not hesitate to contact me if you have any questions concerning this matter.

Sincerely,

Carleton B. Simpson

Attorney for Unitil Service Corp.

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