

If net energy usage is less than zero, customers that do not receive Default Energy Service from the Company will receive a monetary bill credit for their net electric exports during each billing period calculated at twenty-five percent (25%) of any Distribution charges assessed on a per-kilowatt-hour basis; and any Transmission charges assessed on a per-kilowatt-hour basis.

Large customer-generators will be assessed all charges associated with their rate class based on the full amount of their electricity imports without any netting of exports during the billing period. Customers who receive Default Energy Service from the Company will receive a monetary bill credit for their electric exports during each billing period calculated at the Default Energy Service Rate.

For both Small and Large customer-generators, a competitive Energy Service Provider may determine the terms, conditions and prices under which it agrees to provide generation supply to and purchase net generation output from the customer-generator.

4. Grandfathering Provisions

Subsequent sales or other transfers of ownership of a net-metered system or the property upon which the system is located shall not impact the terms and conditions under which the customer-generator is rendered net metering service. New owners shall be allowed to continue to take service under the same terms and conditions in effect at the time of such sale or transfer until 2040, in accordance with RSA 362-A:9,XV and Order No. 25,972, or pursuant to Order No. 26,029, provided that the system is not moved to a different location by the purchaser, transferee, or otherwise.

Residential small customer-generators may expand their systems without limitation, provided that the expansion does not result in total system capacity in excess of 100 kW.

Non-residential small customer-generators may expand the capacity of their systems by an amount up to the greater of either 20 kW or 50 percent of the system capacity allocated into the standard net metering program prior to September 1, 2017, or the original capacity of a system installed under the alternative net metering tariff effective as of September 1, 2017, as applicable, provided that in neither case can any such expansion have the effect of increasing the system's capacity to an amount in excess of 100 kW.

Non-residential large customer-generators may expand the capacity of their systems by an amount up to the greater of either (1) 50 kW, or (2) a capacity amount such that the expanded system is sized to produce 110 percent of the customer-generator's annual kilowatt-hour on-site usage, as clearly demonstrated through the customer-generator's documentation of any consecutive 12-months within the previous two years.

In neither case, can any such expansion have the effect of increasing the system's capacity to a level in excess of one megawatt. Expansion of a net-metered system by or for a commercial or industrial customer-generator smaller than the applicable limitation will allow the customer-generator to continue to be grandfathered, while any such expansion in excess of the applicable limitation will result in the entire net-metered system losing its net metering grandfathered status.

Issued: November 22, 2017

Issued by: /s/ William J. Quinlan
William J. Quinlan

Effective: September 1, 2017

Title: President and Chief Operating Officer

Any system modifications must be reported to the Company within 30 days of modification or earlier if so required under the Company's distributed generation interconnection procedures.

5. Renewable Energy Certificates

The Company will offer to serve as independent monitor for a customer-generator who elects to receive a Company-owned production meter. The Company will report the electricity production of such customer-generator at least quarterly to NEPOOL-GIS at no cost to the customer. The Company will file an application on behalf of the customer for Commission certification of the eligibility of the installation to produce renewable energy certificates pursuant to RSA 362-F and the Commission's Puc 2500 rules. Any customer requesting a Company-owned production meter or requesting the Company to serve as the independent monitor must respond in a timely manner to requests for information from the Company.

Rates:

Qualifying Facilities selling their output to the Company will be eligible to receive Short Term Avoided Cost Rates equal to the payments received by the Company for the sale of QF generation to the ISO-NE power exchange, adjusted for line losses, wheeling costs and administrative costs incurred by the Company for the transaction. Projects shall be charged a standard monthly service fee for billing service as approved by the appropriate regulatory agency.

Wheeling Charges:

The Company reserves the right to impose any appropriate wheeling charges (including distribution wheeling charges) for generation transmitted through the Company and sold to ISO-NE and others as may be approved by the appropriate regulatory agency.

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