

THE STATE OF NEW HAMPSHIRE



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**PUBLIC UTILITIES COMMISSION**

21 S. Fruit Street, Suite 10

Concord, N.H. 03301-2429

December 16, 2016

Re: DE 16-674, Clifton Below Motion to Correct Errors in  
PUC Determination of Avoided Costs  
Approving Settlement Agreement Resolving All Issues

To the Parties:

On December 1, 2016, Commission Staff (Staff) filed on behalf of the parties a Stipulation and Settlement Agreement (Settlement Agreement) executed by all of the parties in this proceeding, pursuant to N.H. Code Admin. Rules Puc 203.20.

The Settlement Agreement provides that Commission Staff shall revise its methodology for calculation of the annual rate applicable to the net energy metering excess credit payment option under Puc 903.02, beginning with the 2017 calculation, consistent with the parameters specified in Section II of the Settlement Agreement. The Settlement Agreement effectively resolves all issues regarding the motion filed by Clifton Below to initiate this proceeding. On behalf of the parties, Staff requested that the Commission consider and approve the Settlement Agreement without the need for an evidentiary hearing.

The Commission has determined that the Settlement Agreement is just and reasonable and serves the public interest, and therefore has approved the Settlement Agreement under Puc 203.20(b). The Commission found there was no need for an evidentiary hearing to develop a factual record supporting the proposed methodology change beyond that provided through the parties' stipulations contained in the Settlement Agreement.

Accordingly, the methodology for calculation of the annual rate applicable to the net energy metering excess credit payment option under Puc 903.02, beginning with the 2017 calculation, shall be revised in a manner consistent with the parameters specified in Section II of the Settlement Agreement, which parameters are reproduced in Appendix A attached to this letter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra A. Howland".

Debra A. Howland  
Executive Director

cc: Attachment  
Docket File  
Service List (Electronically)

## APPENDIX A

1. Staff shall revise its methodology for calculation of the annual rate applicable to the net energy metering excess credit payment option under Puc 903.02, as set forth below, beginning with the 2017 calculation.
2. “Generation related ancillary service charges” shall be determined using actual hourly values obtained from ISO New England for the previous year for ancillary market charges (currently including forward reserve market, real-time reserve market, regulation market, and transitional demand response program charges) and for net commitment period compensation (NCPC), applied or averaged over all hours for the relevant one-year period, as such application or averaging may be appropriate. These values, as well as the Real Time Locational Marginal Price (RTLMP), are available from ISO New England in their hourly wholesale load cost reports for the New Hampshire Load Zone for each month in the form of “.csv” files, presently found at <https://www.iso-ne.com/isoexpress/web/reports/load-and-demand/-/tree/whlsecost-hourly-newhampshire>.
3. With respect to adjustment “for the average line loss in New Hampshire between the wholesale metering point and the retail metering point,” pursuant to Puc 903.02(i)(2), Staff shall use the same line loss factors as are used by the utilities based on their most recent line loss studies, weighted by customer class retail loads as reported by the utilities, and averaged for the relevant one-year period.
4. No recalculation, rebilling, or payment adjustment for any prior period or periods shall be required, because (i) the revised calculation methodology described above represents merely a prospective refinement and improvement of the calculation methodology previously implemented, and (ii) the administrative burden and related costs of retrospective application outweigh the potential benefits of any such recalculation, rebilling, or payment adjustment.
5. The revised methodology for calculation of the annual rate applicable to the excess net metering credit payment option shall be implemented based on interpretation of the specific language of Puc 903.02 and for that limited purpose, and any Party may advocate for the same or a different determination of avoided costs under PURPA in any different proceeding or context or for any other purpose.

**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

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**Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.**

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**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**
- DEBRA A HOWLAND  
EXEC DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**