

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 16-873

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES

Petition to Establish Methodology for Billing Net-Metered Customers Under Rate G-1

Order Approving Tariff Amendment

ORDER NO. 25,995

March 3, 2017

APPEARANCES: Michael J. Sheehan, Esq., on behalf of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities; and David K. Wiesner, Esq., on behalf of Commission Staff.

In this Order, the Commission approves a tariff amendment filed by Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities (“Liberty”) in connection with its petition to establish a methodology for billing net-metered customers under its Rate G-1. The tariff amendment provides the opportunity for those customers to participate in net metering, with customer-generators credited for their on-peak excess generation against their on-peak electricity consumption and for their off-peak excess generation against their off-peak electricity consumption.

On December 29, 2016, Liberty filed a petition to establish a methodology for billing net-metered customer-generators taking service under Rate G-1, including a proposed amended page 10 of its tariff, NHPUC No. 19. In its petition, Liberty explained that Rate G-1 customers pay time-based distribution charges, with different time-of-use (“TOU”) rates charged for on-peak periods, defined as Monday-Friday, 8:00 a.m. to 9:00 p.m. daily, and for off-peak periods, defined as Monday-Friday from 9:00 p.m. to 8:00 a.m., all day Saturday, Sunday, and specified holidays. Liberty proposed that Rate G-1 customers with renewable energy resources be

permitted to net meter in the same manner as other customers not subject to TOU-based tariffs, with any kilowatt-hours (kWh) exported during on-peak hours credited to on-peak imported kWh in the customer's future bills, and any kWh exported during off-peak hours credited to off-peak imported kWh in the customer's future bills.

By Order No. 25,981 (January 26, 2017), the Commission suspended Liberty's proposed tariff amendment and scheduled a hearing on the merits for February 16, 2017. At the hearing, Liberty witness Heather M. Tebbetts testified that the tariff amendment had been filed to accommodate a Rate G-1 customer proposing to install a solar photovoltaic system with a capacity just less than 100 kilowatts. Transcript of February 16, 2017 hearing ("Tr.") at 6. As a small customer-generator, that customer would be entitled to full retail rate net metering, in which it would be credited for distribution charges as well as energy service charges, and the proposed tariff amendment is intended to implement a calculation and billing methodology to account for the time-differentiated distribution charges under Rate G-1. Tr. at 6-7.

Ms. Tebbetts testified that Rate G-1 customers otherwise would be subject to and have the benefits of all the same net metering provisions under the Commission's net metering rules as customers not taking service under TOU rates. Tr. at 7. She confirmed that any future changes in the underlying Rate G-1 rate design, such as a change in the definition of on-peak and off-peak periods, would apply to Rate G-1 customers that net meter to the same extent as to all other Rate G-1 customers. Tr. at 12.

Ms. Tebbetts also confirmed that excess kWh credits generated by Rate G-1 customers would be carried over and applied on a month-to-month basis, and that customers with "banked" net metering credits greater than 600 kWh would have the annual option to receive a payment or economic credit at the avoided cost rate determined under N.H. Code Admin. Rules Puc 903.02

for the aggregate quantity of credits accumulated without regard to the time of their production. Tr. at 10-12. She testified that the cost of any metering equipment upgrades necessary to permit net metering by small customer-generators under Rate G-1 would be borne by Liberty, and that the manual billing and other administrative costs of implementation of the proposed tariff amendment are not expected to be substantial. Tr. at 8-9, 13, and 17.

Liberty's counsel confirmed that the proposed tariff amendment is independent of and would not affect any potential changes in net metering that may result from the currently pending alternative net metering tariff development proceeding, Docket DE 16-576. Tr. at 18-19. He also indicated that any new net metering program resulting from that other docket might require further revisions to the tariff provisions at issue in this proceeding. *Id.*

Staff's counsel also confirmed that this proceeding is entirely separate from the currently pending alternative net metering docket. As such, the tariff changes proposed by Liberty would be required even if there were no such docket and the company was continuing to operate "under the statute and rules as they currently exist." Tr. at 19. He indicated Staff's support for the proposed tariff amendment as a reasonable means of making the benefits of net metering available to Liberty's Rate G-1 customers with TOU distribution rates, noting the simple logic of the proposed "like-for-like" matching of kWh credits between on-peak and off-peak periods for excess generation output and customer electricity consumption. Tr. at 19-20.

Under RSA 362-A:9, VIII and XI (b), and Puc 903.02(p), the Commission may approve, after notice and hearing, a utility-specific methodology by which eligible customer-generators may be provided service under time-based net energy metering tariffs, provided that the resulting rates are found to be just and reasonable. We find that Liberty's proposed tariff amendment represents a just and reasonable means of enabling Rate G-1 customers to participate in net


energy metering, with excess generation during on-peak periods applied against the customer's electricity consumption during on-peak periods and similarly for off-peak periods. The proposal appears to be the most simple and equitable manner of achieving that desirable result. We therefore approve the proposed tariff amendment as filed.

Based upon the foregoing, it is hereby

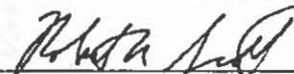
ORDERED, that Liberty's proposed tariff amendment relating to the methodology for billing net-metered customers under Rate G-1 on page 10 of its tariff NHPUC No. 19, be and hereby is APPROVED; and it is

FURTHER ORDERED, that Liberty shall file a properly annotated revised tariff page in conformance with this Order no later than 15 days from the issuance of this Order, consistent with N.H. Code Admin. Rules Puc 1603.

By order of the Public Utilities Commission of New Hampshire this third day of March, 2017.



Martin P. Honigberg
Chairman




Robert R. Scott
Commissioner



Kathryn M. Bailey
Commissioner

Attested by:



Debra A. Howland
Executive Director