



CLEAN ENERGY NH
Your Voice in All Energy Matters

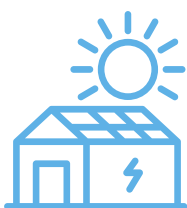
NET METERING OVERVIEW & FAQ

Produced by **Clean Energy NH**

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Introduction

Net Metering is a billing mechanism that allows electric customers that have small-scale renewable generation systems to receive bill credits for excess energy exported to the grid on a net basis over the relevant time interval. **Group Net Metering** allows for the energy generated by small-scale renewables to be shared with a group of customers. Many states across the country have their own versions of net metering.



Clean energy produced that is not consumed at home is sent to the grid



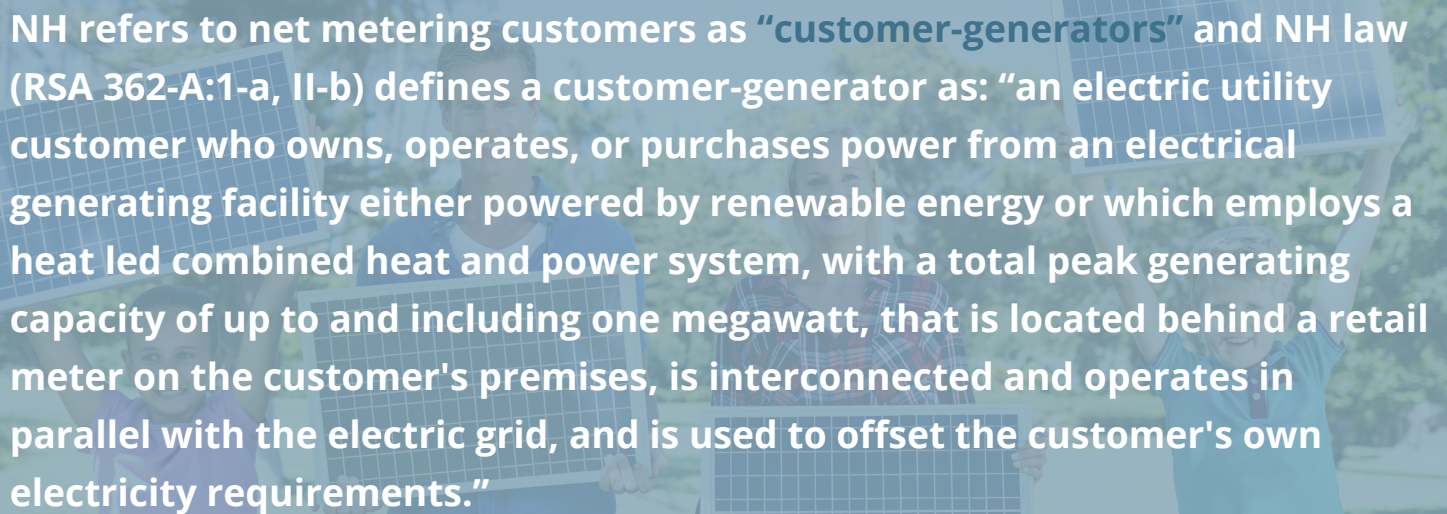
Excess energy is recorded through the energy meter



Excess energy flows to the grid and to neighboring uses

Eligibility

Electric customers of **Eversource, Unitil, and Liberty** may participate in net metering according to statewide laws and rules presented here. The NH Electric Coop and some municipal electric utilities have net metering programs that are different and are not covered here.



NH refers to net metering customers as “**customer-generators**” and NH law (RSA 362-A:1-a, II-b) defines a customer-generator as: “an electric utility customer who owns, operates, or purchases power from an electrical generating facility either powered by renewable energy or which employs a heat led combined heat and power system, with a total peak generating capacity of up to and including one megawatt, that is located behind a retail meter on the customer's premises, is interconnected and operates in parallel with the electric grid, and is used to offset the customer's own electricity requirements.”


What is Group Net Metering?

Group net metering allows a customer-generator to share net metering credits with a group of customers with the same distribution utility. This type of arrangement is also sometimes called virtual net metering or community solar. To participate in group net metering a customer-generator must register as a “**group-host**” and show on the application that the customer-generator has an agreement with each customer in its group, whose combined annual electricity usage is at least as much as the anticipated electricity generated by the group-host. Under the original version of group net metering, the group host receives a monthly payment for the value of the net metering credits generated and then can share this revenue with the group members according to the agreements. As of July 1st, 2019, group hosts will be able to opt into using **on-bill crediting** to share net metering credit monetary value with their group members directly on their electric bills. Group net metering hosts must comply with the group net metering annual reporting requirement by submitting an annual report to the Public Utilities Commission and their electric distribution utility no later than April 15th.



Net Metering Credit Value

Under the current net metering tariff, there are **two size classes** of net metering systems with **different credit values**. Small net metered systems have a peak generation capacity of 100 kilowatts (kW) AC and large net metered systems have a peak generation capacity over 100kW and up to 1,000 kW, or 1 megawatt (MW). Small net metered system usage/generation is netted each monthly billing period so only the net for the month is charged or credited, subject to the applicable tariff terms. Large systems net more frequently, which results in lower value due to differences between charges and credit.

| Electric bill charges | "small" net metering credit | "large" net metering credit |
|--|-----------------------------|--|
| Energy | Yes | Yes |
| Transmission | Yes | No |
| Distribution | 25% | No |
| Non-bypassable charges* (stranded cost, System Benefits Charge) | No | No |
| Demand charge (Commercial & Industrial only) | No | No |
| Fixed customer charge | No | No  |

* Non-bypassable charges are billed for all imported electricity



All net metering customers who began participating before September 1st 2017 are grandfathered under the original net metering tariff which credited all bill charges for small systems.

Competitive Supply & Community Power Considerations

Customers purchasing electricity from a **competitive supplier** may participate in net metering; however, the net metering credit tariff described here is only available to customers on default service with their distribution utility. Small customer-generators on competitive electric supply can net meter and receive monetary credits from their utilities based on the transmission and 25% distribution portions of the tariff. Competitive suppliers may allow or negotiate a net metering credit value with their customers but are under no obligation to do so. Therefore, proceed with caution and consider carefully the terms of your competitive supply contract before adding a renewable energy system to an account. Group net metering credit value is determined according to the host account status so group members can remain on competitive supply without affecting the group host credit value. Similarly to competitive suppliers, **Community Power Aggregations**, under RSA 362-A:9-II, may determine the terms and conditions for energy supply net metering for their customers.





Can you bank net metering credits? Can you cash out net metering credits?

Yes, net metering credits can be banked and roll forward on the account. Net metering credits can be cashed out once per year at an avoided cost calculated annually by the New Hampshire PUC in April. For example, the avoided cost rate for solar PV was \$0.04907/kWh and \$0.03864/kWh for other renewable technologies this year. Under the current net metering tariff, banked kilowatt-hours (kWh) are converted to a monetary value monthly and the customer can request payment annually for on-bill credits in excess of \$100.



Do net metering customers retain ownership of their Renewable Energy Credits (RECs)?

Yes, customer-generators, including group net metering hosts retain ownership of the renewable energy certificates generated by their systems, unless otherwise agreed by contract.



What is a low-moderate income community solar project and how does it affect the net metering credit value?

A low-moderate community solar system must serve low-moderate income residential customers according to requirements defined in Puc rules 909.13. If those criteria are met, they are eligible for a net metering credit adder of \$0.03 until July 1st, 2021 or \$0.025 per kWh after that date.



Will my net metering credit value change or is it guaranteed for a certain time?

The customer-generator's current net metering tariff structure is grandfathered until 2040, although the actual rates applicable to charges and credits will change periodically with utility rate filings that are approved by the Public Utilities Commission.



What is a power purchase agreement for solar?

A Power Purchase Agreement (PPA) is a financial arrangement in which a third-party developer owns, operates, and maintains the solar photovoltaic (PV) system, and a host customer agrees to site the system on at its service location and purchases the PV system's electric output from the solar services provider for a predetermined period. This financial arrangement allows the host customer to receive stable and often low-cost electricity, while the solar services provider or another party acquires valuable financial benefits, such as tax credits and income generated from the sale of electricity. Solar systems under a PPA can participate in net metering, provided the PV system meets all eligibility requirements. The system owner receives the net metering credit and owns the RECs in this case while the PPA off taker pays a set rate to the system owner.



Is there a statewide limit on net metering in New Hampshire?

No, there is no longer a statewide cap on net metering in New Hampshire.

