LREC/ZREC Year 9 RFP

Informational Webinar

June 8, 2020

Program Overview

Christie Prescott, UI
Laura Perbeck, Eversource
Katerina Miller, UI

Presentation Questions

- Submit questions via GoToWebinar:
  - Use Question function
- Q&A at end if time permits
  - Use Raise Hand function
  - We will call on you and un-mute you

Standard Contract is the Controlling Document

In the event of any inconsistency between the provisions of the LREC/ZREC RFP or any part of this presentation, the provisions of the Standard Contract are controlling. Bidders should review the Standard Contract and all associated documents thoroughly and submit their Bids based upon the Standard Contract, which will solely govern the transactions between the selected Bidder and their counterparty Company through the term of the resulting contract.

Eversource Program Results

Eversource Energy										
Category	**Size**	**Total # Active Projects (To Date)**	**Avg $/REC Year 1**	**Avg $/REC Year 2**	**Avg $/REC Year 3**	**Avg $/REC Year 4**	**Avg $/REC Year 5**	**Avg $/REC Year 6**	**Avg $/REC Year 7**	**Avg $/REC Year 8**
LRECs	Up to 2 MW	96	$65.94	$57.03 (↓14%)	$56.29 (↓2%)	$53.85 (↓4%)	$45.16 (↓16%)	$41.17 (↓9%)	$65.85 (↑60%)	$49.06 (↓25%)
Large ZRECs	250 – 1,000 kW	190	$101.36	$76.63 (↓24%)	$59.35 (↓23%)	$55.77 (↓6%)	$71.46 (↑28%)	$60.32 (↓16%)	$61.28 (↑2%)	$53.56 (↓13%)
Medium ZRECs	+100 – 250 kW	391	$149.29	$93.65 (↓37%)	$73.61 (↓21%)	$75.07 (↑2%)	$93.70 (↑25%)	$90.38 (↓4%)	$91.58 (↑1%)	$87.62 (↓4%)
Small ZRECs	0 – 100 kW	1445	$164.22	$103.01 (↓37%)	$80.97 (↓21%)	$82.58 (↑2%)	$103.07 (↑25%)	$99.42 (↓4%)	$100.74 (↑1%)	N/A
Total		**2122**								

UI Program Results

The United Illuminating Company										
Category	**Size**	**Total # Active Projects (To Date)**	**Avg $/REC Year 1**	**Avg $/REC Year 2**	**Avg $/REC Year 3**	**Avg $/REC Year 4**	**Avg $/REC Year 5**	**Avg $/REC Year 6 April**	**Avg $/REC Year 7**	**Avg $/REC Year 8**
LRECs	Up to 2 MW	25	$51.08	$49.43 (↓3%)	$56.12 (↑14%)	$37.24 (↓3%)	$38.34 (↑3%)	$42.80 (↑12%)	$33.48 (↓22%)	$27.09 (↓3%)
Large ZRECs	250 – 1,000 kW	43	$117.27	$90.43 (↓23%)	$65.76 (↓27%)	$62.61 (↓5%)	$57.50 (↓8%)	$81.56 (↑42%)	$85.51 (↑5%)	$62.76 (↓31%)
Medium ZRECs	+100 – 250 kW	121	$135.36	$102.31 (↓24%)	$76.40 (↓25%)	$73.01 (↓4%)	$79.00 (↑8%)	$90.33 (↑14%)	$89.25 (↓1%)	$87.63 (↓1%)
Small ZRECs	0 – 100 kW	289	$148.89	$112.54 (↓24%)	$84.04 (↓25%)	$80.31 (↓4%)	$86.90 (↑8%)	$99.37 (↑14%)	$98.18 (↓1%)	N/A
Total		478								

Key Notes for Year 9 RFP

- Terminated Projects Allowed to Re-Apply
- Anaerobic Digestion Qualifies as LREC
  - PE Certification Required
- Bids Cannot be Submitted in LREC/ZREC and SCEF
- Participation in Forward Capacity Market
- LREC/ZREC price cap remains at $126

Terminated Project Re-Application

- PURA's 2/24/20 ruling on Motion No. 3 in Dkt. 19-06-36
- Existing project must be in-service before submitting additional Bids at that same revenue meter
- If contract terminates:
  - **Same developer** may re-bid 12 months after initial contract termination date
  - **Different developer** may re-bid any time after initial contract termination date
  - **In all scenarios, Bid Price will be lower of current bid or terminated contract**

Anaerobic Digestion

- Anaerobic Digestion now qualifies in the LREC category
- PA 19-35: "…are less than two megawatts in size, located on the customer side of the revenue meter, serve the distribution system of the electric distribution company, and use Class I technologies that either (I) use anaerobic digestion…"
- Do not need to meet LREC emission standards
- **CT Licensed Professional Engineer Certification required for all LREC Anaerobic Digestion Bids**

Bid Submission: LREC/ZREC or SCEF

- Bids cannot be submitted for consideration in both LREC/ZREC and SCEF
- Section 4.12 of the LREC/ZREC Solicitation Plan:
  - "Bidders may not submit Bids for the same project, or for multiple projects on the same parcel(s) of land, for consideration in both this RFP and the annual SCEF RFP. If Bids are received for the same project or multiple projects on the same parcel(s) of land for consideration in both this RFP and the annual SCEF RFP, the Companies will allow the first Bid submitted, regardless of the program it was submitted to, to remain active, and all other Bids will be disqualified."

Participation in Forward Capacity Market

- The Companies' bid portals now include a question regarding planned participation in the Forward Capacity Market ("FCM")
- Bidders must indicate whether they intend for submitted project to participate in ISO New England, Inc.'s Forward Capacity Market ("FCM")
  - Informational purposes only
- Accepted Bids are required to inform the Companies if the project becomes a participant in the FCM and the MWs accepted into the FCM
  - Section 10.3.6 of Terms and Conditions

Price Caps

- Year 9 LREC Price Cap = **$126/REC**
- Year 9 ZREC Price Cap = **$126/REC**

- Any bid price over those amounts in their respective categories will result in the disqualification of the bid

Procurement Process

1) Competitive Solicitation - (RFP) – Year 9

Project Type	Size	Total Base Annual Budget for Both Companies Combined	REC Price Cap
Large ZRECs	≥250 kW to 1,000 kW	Approximately $1.33M	Max = $126/REC
Medium ZRECs	>100 kW < 250 kW	Approximately $1.33M	Max = $126/REC
LRECs	Up to 2,000 kW	$4M	Max = $126/REC

*Pursuant to Public Act 18-50, for the Year 9 solicitation the Companies will allocate 50% of the overall RFP budget to LREC projects.

2) Small ZREC Tariff – Year 7 (Remains Open)

Project Type	Size	Total Base Annual Budget for Both Companies Combined	REC Price
Small ZRECs	Up to 100 kW	Yr 7 – Approx. $2.66M**	Weighted Average of the Medium ZREC price + 10%

**Pursuant to PURA's Decision on Motion No. 3 in Dkt. 18-08-10, the year 7 and 8 Small ZREC budgets were combined into one Year 7 Small ZREC budget

Procurement Processes Continued – Year 9 Budgets

Eversource Year 9 Budgets				
	LREC	Large ZREC	Medium ZREC	Small ZREC*
Overall Year 9 Statutory Budget Per Category	$3,200,000	$1,066,667	$1,066,667	$1,066,667
The Year 9 budgets will be at least what is noted above, and may differ due to terminated projects or projects that resulted in MAQ adjustments *The Year 9 Small ZREC program will likely open in Q1, 2021. At present, the Year 7 Small ZREC Tariff remains open (Year 7 and Year 8 Small ZREC budgets were combined into one Year 7 solicitation)				

UI Year 9 Budgets				
	LREC	**Large ZREC**	**Medium ZREC**	**Small ZREC***
Overall Year 9 Statutory Budget Per Category	$800,000	$266,667	$266,667	N/A
The Year 9 budgets will be at least what is noted above, and may differ due to terminated projects or projects that resulted in MAQ adjustments. *At present, the Year 7 Small ZREC Tariff remains open (Year 7 and Year 8 Small ZREC budgets were combined into one Year 7 solicitation)				

LREC & ZREC Eligibility

- Must be located behind a contracting utility revenue meter and have a dedicated REC meter
- Must not have received grants/rebates from CT Green Bank or its predecessors CEFIA or the CCEF (other than low cost financing)
- Projects must be in service on, or after, July 1, 2011
- Must be eligible to qualify as a Class I Renewable Project (CT PURA application and approval process)
- Must certify site control (3 signatures and a notary required)

LREC & ZREC Eligibility

- LRECs
  - No larger than 2,000 kW
  - Must have low emission **or** must be anaerobic digestion
    - <0.07 lbs/MWh Nox; <0.10 lbs/MWh CO; 0.02 lbs/MWh VOCs, 1 grain per 100 standard cubic feet
  - May include fuel cells, anaerobic digestion, and other low emission Class I resources, as well as all zero emission Class I resources
- ZRECs
  - No larger than 1,000 kW
  - Must have zero emissions
  - May include solar, hydro and wind

Request for Proposals (RFP)

- RFP covers LREC Projects and ZREC Projects >100 kW
  - Small ZREC Projects are not covered by this RFP
  - Year 7 Small ZREC Program is still open for both companies
- Open to customers and developers
- Projects will be selected, and utilities will enter into 15 year contracts to purchase the ZRECs and LRECs from selected projects
- Key Program Documents:
  - RFP, Standard Contract, Solicitation Plan, PURA Decision – Docket 11-12-06, Question and Answer Document (updated periodically)

Year 9 RFP Schedule

Action Item	Date
Release of RFP	April 30, 2020
Bidders Conference – Webinar Only	June 8, 2020
Deadline for Submission of Questions	June 12, 2020
Bid Forms Due	**July 13, 2020 by 1:00 p.m. (Eastern Prevailing Time "EPT"), at which time the Pricing shall become firm, irrevocable and binding.**
Selection and Notification of Winning Bidders	**On or about August 13, 2020**
Standard Contracts Execution	After Selection and Notification of Winning Bidders. Bidders will have to return partially executed contracts by the date established by the Companies which is expected to be approximately 10 business days.
Standard Contract(s) Filed with PURA	Following selection of winning Bidder(s) and execution of Standard Contracts during each Round.
Commencement of Service	In accordance with Standard Contracts

Quantity & Value of RECs

The contract price of RECs from Zero Emission units is capped at $126/REC

- Example 1: 200 kW Solar System ~ 311 RECs/year
  - Annual Payment ~ $24,880
    - $80/REC x 311 RECs/year ~$24,880
  - Total Payment over 15 years ~ $373,200

The contract price of RECs from Low Emission units is capped at $126/REC

- Example 2: 400 kW Fuel Cell ~ 3,312 RECs/year
  - Annual Payment ~ $132,480
    - $40/REC x 3,312 ~ $132,480
    - Total Payment over 15 years ~ $2.0M

Examples show sample REC prices. The market will set actual REC prices.

Instructions for Bid Submission and Contract Execution/Management

Laura Perbeck, Eversource
Aaron Dubauskas, Eversource

Step 1

How to Bid in the Year 9 RFP

Bid Process

- Complete & Submit Bid Form Online
  - For Eversource: www.eversource.com → Residential → Save Money & Energy → Renewable Energy Credits → LRECs, Large & Medium ZRECs → Submit LREC/ZREC Bid
  - For UI: www.uinet.com → Suppliers and Partners (lower portion of the webpage)→ Power Procurement → Submit LREC/ZREC Bid
- Certifications, Affidavits and Disclosures
  - Bid Certification Form – 4 pages including affidavit (mandatory)
  - LREC/ZREC CT Licensed Professional Engineer (PE) Certification (if applicable)
    - **Required for all Anaerobic Digestion Bids**
  - Pending CT Green Bank Grant and/or Rebate Disclosure Statement
  - CT Manufactured, Researched or Developed Affidavits
- The Companies online Bidding systems will acknowledge receipt of Bid and provide you with an individual Bid ID

Eversource Bid Form

- Form is filled out online
- Contains information needed for:
  - Submission verification
  - Completion of Standard Contract
- Additional form(s) (i.e. Certifications, Affidavits, and/or Disclosures as applicable) will be required to be submitted as part of the bid process
- Double check and triple check to avoid errors which may invalidate the Bid Form

UI Bid Form

- Online Bid Form that you will fill out and submit electronically
- Attach Bid Certification to Page 5 as a PDF (REQUIRED). UI Bidders - Use Bid Certification form for year 9 RFP
- Additional form(s) (i.e. Affidavits, and/or Disclosures as applicable) will be emailed to lrec.zrec@uinet.com
  - Reference assigned Bid ID numbers in email
- Double check and triple check to avoid errors which may invalidate the Bid Form

Bid Attachments: Bid Certification Form

- 4 Page Bid Certification Form
  - Page 1: Instructions
  - Page 2: Bidder signature – Bidder is defined as the individual or business submitting a proposal ("Bid")
  - Page 3: Contract Counterparty signature – Contract Counterparty is defined as the legal entity desiring to enter into a Standard Contract
  - Page 4: Owner of the Project Site's Signature – Owner of the project site is defined as the legal owner of the project site (Notarized affidavit)
- Notary: Please see Section 3 of the March 30, 2020 CT Executive Order 7Q regarding Remote Notarizations here:
  - https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-7Q.pdf

Bid Attachments: Affidavits for CT M/R/D Generation Technologies

- Two affidavits required (if seeking M/R/D designation):
  - Bidder affidavit that project uses CT Manufactured, Researched or Developed Generation Technologies
    - Must constitute no less than 50% of the total value of Generation Technology to be used by its' project.
  - Technology supplier's affidavit that it supplies CT Manufactured, Researched or Developed Generation Technologies
  - Amended R & D definition in RFP

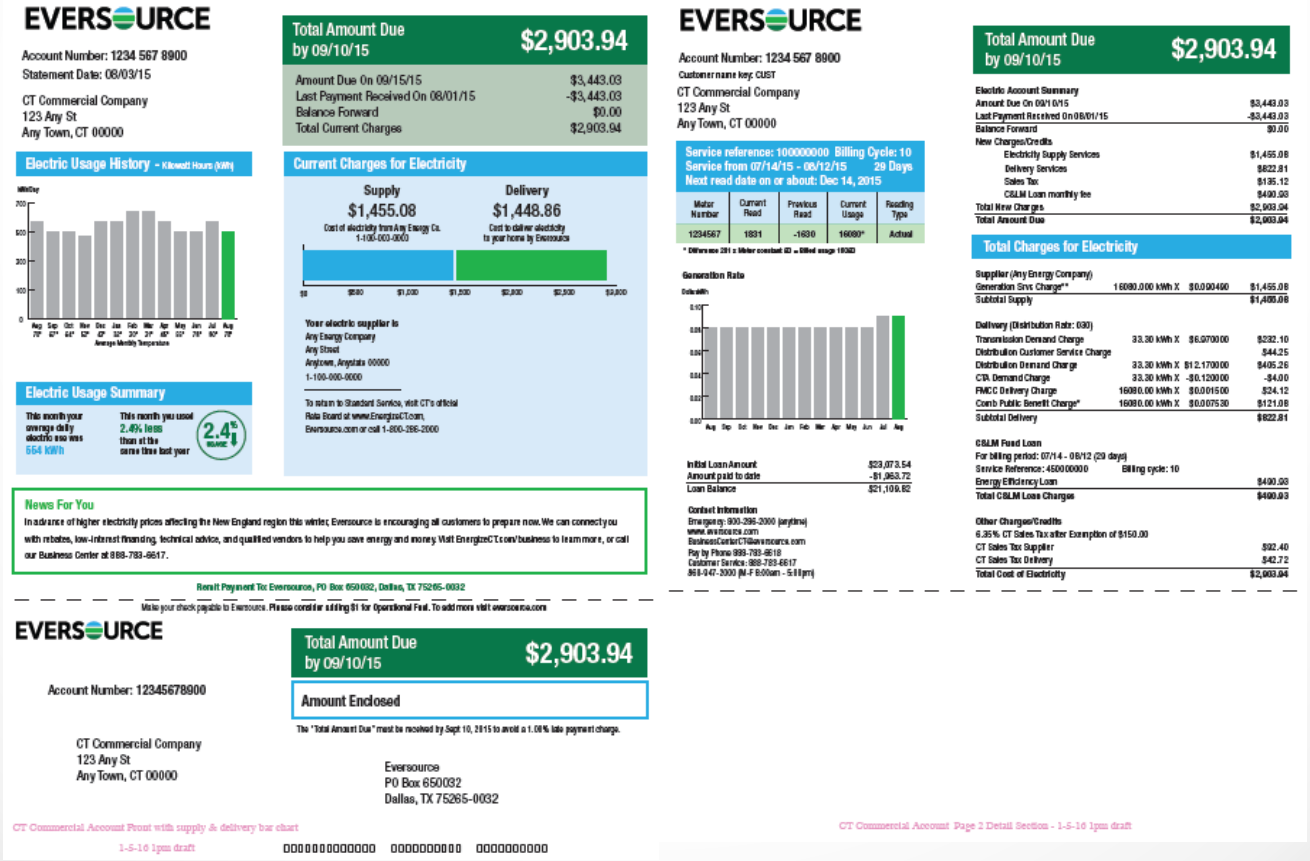
Bid Attachments: PE Certification

- LREC/ZREC CT Licensed Professional Engineer (PE) Certification
  - PE Certification is not necessary, it is **only required if**:
    - Submitting a Bid for Anaerobic Digestion
    - Seeking alternate capacity factor
    - Not using one of the technologies with a capacity factor defined in the IRP
    - One bid combines multiple technologies

Bid Attachments:

Copy of Eversource Customer Bill

- Pages 1 and 2 are required as an attachment to all Eversource bids that are not New Construction
  - Attached in Step 6 of the online Bid process



EVERSOURCE

Account Number: 1234 567 8900
Statement Date: 08/03/15

CT Commercial Company
123 Any St
Any Town, CT 00000

Total Amount Due by 09/10/15 $2,903.94

Amount Due On 09/15/15	$3,443.03
Last Payment Received On 08/01/15	-$3,443.03
Balance Forward	$0.00
Total Current Charges	$2,903.94

Electric Usage History - Kilowatt Hours (kWh)

Current Charges for Electricity

Supply $1,455.08
Delivery $1,448.86

Electric Usage Summary

This month your average daily electric use was 564 kWh

This month you used 2.4% less than at the same time last year

Your electric supplier is
Any Energy Company
Any Street
Anytown, Anystate 00000
1-100-000-0000

To return to Standard Service, visit CT's official Rate Board at www.EnergizeCT.com, Eversource.com or call 1-800-286-2000

News For You

In advance of higher electricity prices affecting the New England region this winter, Eversource is encouraging all customers to prepare now. We can connect you with rebates, low-interest financing, technical advice, and qualified vendors to help you save energy and money. Visit EnergizeCT.com/business to learn more, or call our Business Center at 888-783-6617.

Remit Payment To: Eversource, PO Box 650032, Dallas, TX 75265-0032

Make your check payable to Eversource. Please consider adding $1 for Operational Fund. To add more visit eversource.com

EVERSOURCE

Account Number: 12345678900

Total Amount Due by 09/10/15 $2,903.94

Amount Enclosed

The "Total Amount Due" must be received by Sept 10, 2015 to avoid a 1.08% late payment charge.

CT Commercial Company
123 Any St
Any Town, CT 00000

Eversource
PO Box 650032
Dallas, TX 75265-0032

CT Commercial Account Front with supply & delivery bar chart
1-5-16 1pm draft

EVERSOURCE

Account Number: 1234 567 8900
Customer name key: CUST

CT Commercial Company
123 Any St
Any Town, CT 00000

Service reference: 100000000 Billing Cycle: 10
Service from 07/14/15 - 08/12/15 29 Days
Next read date on or about: Dec 14, 2015

Meter Number	Current Read	Previous Read	Current Usage	Reading Type
1234567	1831	-1630	16080*	Actual

Generation Rate

Initial Loan Amount	$23,073.54
Amount paid to date	-$1,963.72
Loan Balance	$21,109.82

Contact Information
Emergency: 800-286-2000 (anytime)
www.eversource.com
BusinessCenterCT@eversource.com
Pay by Phone 888-783-6618
Customer Service: 888-783-6617
860-947-2000 (M-F 8:00am - 5:00pm)

Total Amount Due by 09/10/15 $2,903.94

Electric Account Summary

Amount Due On 09/10/15	$3,443.03
Last Payment Received On 08/01/15	-$3,443.03
Balance Forward	$0.00
New Charges/Credits	
Electricity Supply Services	$1,455.08
Delivery Services	$822.81
Sales Tax	$135.12
CBLM Loan monthly fee	$490.93
Total New Charges	$2,903.94
Total Amount Due	$2,903.94

Total Charges for Electricity

Supplier (Any Energy Company)			
Generation Srvc Charge**	16080.000 kWh X	$0.090460	$1,455.08
Subtotal Supply			$1,455.08
Delivery (Distribution Rate: 030)			
Transmission Demand Charge	33.30 kWh X	$6.070000	$202.10
Distribution Customer Service Charge			$44.25
Distribution Demand Charge	33.30 kWh X	$12.170000	$405.26
CTA Demand Charge	33.30 kWh X	-$0.120000	-$4.00
FMCC Delivery Charge	16080.00 kWh X	$0.001500	$24.12
Comb Public Benefit Charge*	16080.00 kWh X	$0.007530	$121.08
Subtotal Delivery			$822.81

CBLM Fund Loan
For billing period: 07/14 - 08/12 (29 days)
Service Reference: 450000000 Billing cycle: 10

Energy Efficiency Loan	$490.93
Total CBLM Loan Charges	$490.93

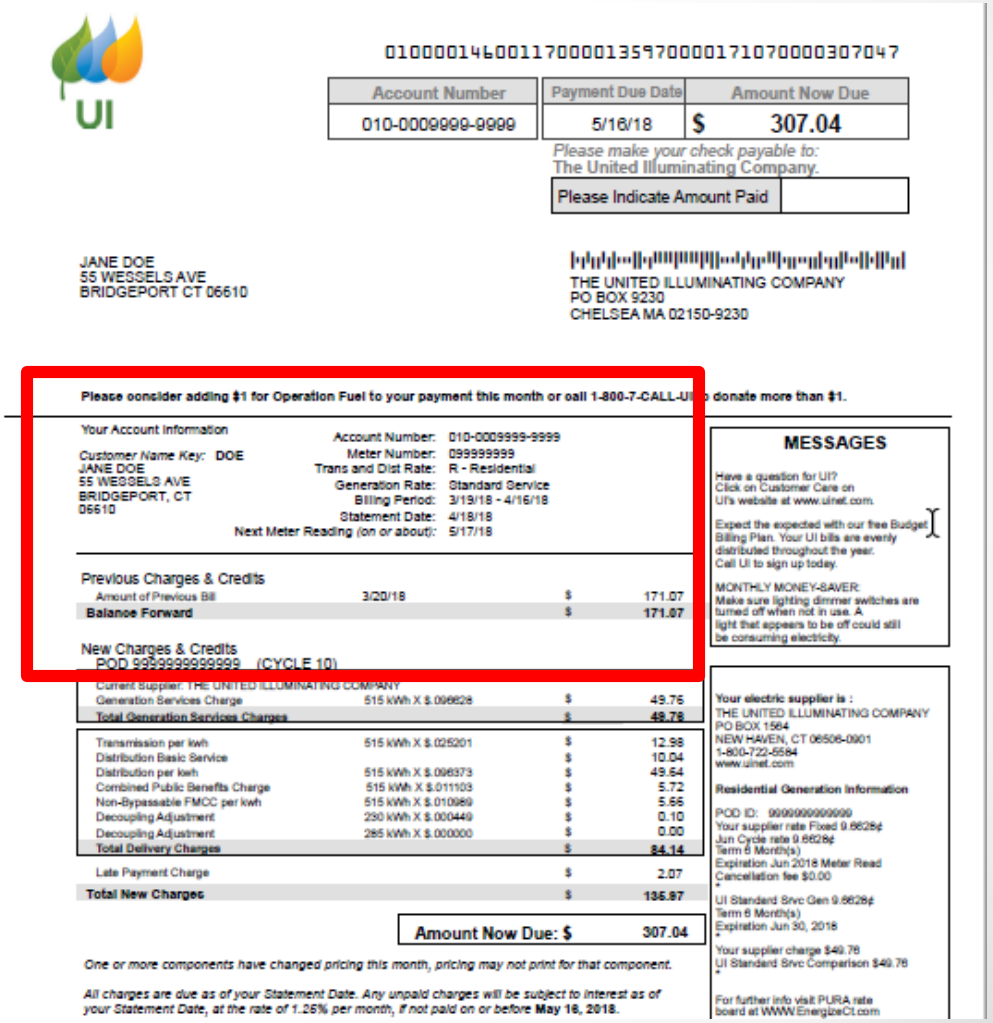
Other Charges/Credits
6.35% CT Sales Tax after Exemption of $150.00

CT Sales Tax Supplier	$92.40
CT Sales Tax Delivery	$42.72
Total Cost of Electricity	$2,903.94

CT Commercial Account Page 2 Detail Section - 1-5-16 1pm draft

Bid Attachments:
Copy of UI Customer Bill

- Pages 1 and 2 are required as an attachment to all bids that are not New Construction
  - Attached in Step 6 of the online Bid process



0100001460011700001359700001710700003070 47

Account Number	Payment Due Date	Amount Now Due
010-0009999-9999	5/16/18	$ 307.04

Please make your check payable to:
The United Illuminating Company.

Please Indicate Amount Paid

JANE DOE
55 WESSELS AVE
BRIDGEPORT CT 06610

THE UNITED ILLUMINATING COMPANY
PO BOX 9230
CHELSEA MA 02150-9230

Please consider adding $1 for Operation Fuel to your payment this month or call 1-800-7-CALL-UI to donate more than $1.

Your Account Information

Customer Name Key: DOE
JANE DOE
55 WESSELS AVE
BRIDGEPORT, CT
06610

Account Number: 010-0009999-9999
Meter Number: 099999999
Trans and Dist Rate: R - Residential
Generation Rate: Standard Service
Billing Period: 3/19/18 - 4/16/18
Statement Date: 4/18/18
Next Meter Reading (on or about): 5/17/18

Previous Charges & Credits

Amount of Previous Bill	3/20/18	$	171.07
Balance Forward		$	171.07

New Charges & Credits
POD 9999999999999 (CYCLE 10)
Current Supplier: THE UNITED ILLUMINATING COMPANY

Generation Services Charge	515 kWh X $.096628	$	49.76
Total Generation Services Charges		$	49.76
Transmission per kwh	515 kWh X $.025201	$	12.98
Distribution Basic Service		$	10.04
Distribution per kwh	515 kWh X $.096373	$	49.64
Combined Public Benefits Charge	515 kWh X $.011103	$	5.72
Non-Bypassable FMCC per kwh	515 kWh X $.010989	$	5.66
Decoupling Adjustment	230 kWh X $.000449	$	0.10
Decoupling Adjustment	285 kWh X $.000000	$	0.00
Total Delivery Charges		$	84.14
Late Payment Charge		$	2.07
Total New Charges		$	135.97

Amount Now Due: $ 307.04

One or more components have changed pricing this month, pricing may not print for that component.

All charges are due as of your Statement Date. Any unpaid charges will be subject to interest as of your Statement Date, at the rate of 1.26% per month, if not paid on or before **May 16, 2018.**

MESSAGES

Have a question for UI?
Click on Customer Care on
UI's website at www.uinet.com.

Expect the expected with our free Budget Billing Plan. Your UI bills are evenly distributed throughout the year.
Call UI to sign up today.

MONTHLY MONEY-SAVER:
Make sure lighting dimmer switches are turned off when not in use. A light that appears to be off could still be consuming electricity.

Your electric supplier is :
THE UNITED ILLUMINATING COMPANY
PO BOX 1564
NEW HAVEN, CT 06506-0901
1-800-722-5584
www.uinet.com

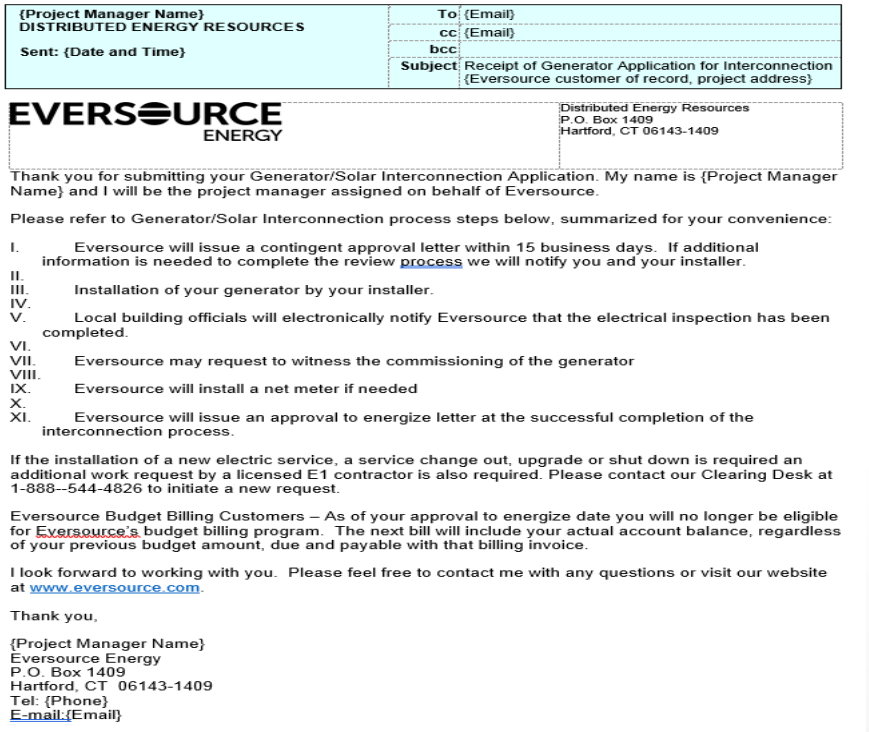
Residential Generation Information

POD ID: 9999999999999
Your supplier rate Fixed 9.6628¢
Jun Cycle rate 9.6628¢
Term 6 Month(s)
Expiration Jun 2018 Meter Read
Cancellation fee $0.00
*
UI Standard Srvc Gen 9.6628¢
Term 6 Month(s)
Expiration Jun 30, 2018
*
Your supplier charge $49.76
UI Standard Srvc Comparison $49.76
*

For further info visit PURA rate board at WWW.EnergizeCt.com

Bid Attachments: Copy of Eversource Interconnection Application Receipt

- All new construction projects require an Interconnection Application Receipt from the Distributed Resources group
  - Attached during step 6 of the bid process



{Project Manager Name} DISTRIBUTED ENERGY RESOURCES Sent: {Date and Time}	To	{Email}
	cc	{Email}
	bcc	
	Subject	Receipt of Generator Application for Interconnection {Eversource customer of record, project address}

EVERSOURCE ENERGY

Distributed Energy Resources
P.O. Box 1409
Hartford, CT 06143-1409

Thank you for submitting your Generator/Solar Interconnection Application. My name is {Project Manager Name} and I will be the project manager assigned on behalf of Eversource.

Please refer to Generator/Solar Interconnection process steps below, summarized for your convenience:

I. Eversource will issue a contingent approval letter within 15 business days. If additional information is needed to complete the review process we will notify you and your installer.
II.
III. Installation of your generator by your installer.
IV.
V. Local building officials will electronically notify Eversource that the electrical inspection has been completed.
VI.
VII. Eversource may request to witness the commissioning of the generator
VIII.
IX. Eversource will install a net meter if needed
X.
XI. Eversource will issue an approval to energize letter at the successful completion of the interconnection process.

If the installation of a new electric service, a service change out, upgrade or shut down is required an additional work request by a licensed E1 contractor is also required. Please contact our Clearing Desk at 1-888--544-4826 to initiate a new request.

Eversource Budget Billing Customers – As of your approval to energize date you will no longer be eligible for Eversource's budget billing program. The next bill will include your actual account balance, regardless of your previous budget amount, due and payable with that billing invoice.

I look forward to working with you. Please feel free to contact me with any questions or visit our website at www.eversource.com.

Thank you,

{Project Manager Name}
Eversource Energy
P.O. Box 1409
Hartford, CT 06143-1409
Tel: {Phone}
E-mail:{Email}

Bid Attachments: Copy of UI Interconnection Application Receipt

- All new construction projects require an Interconnection Application Receipt from the Distributed Resources group This receipt is in form of an email similar to Eversource.
  - Attached during final step of the bid process

Selection Process

- ONLY Completed Bids received will be reviewed to ensure eligibility
- Eligible bids will be ranked by evaluated bid price in each of the three categories
- Contracts will be awarded until funding is exhausted as much as possible in each category
  - If unable to fully fund the next project in the queue, selection stops
- Eligible bids not selected will be placed on standby

Step 2

How to proceed if your Bid is selected

If Selected

- Partially Executed Standard Contract & Provide Performance Assurance
- Company will email you an executable version of the Standard Contract
- Partially executed contract must be received by Company by the Effective Date of Standard Contract, or project is disqualified
- Performance Assurance must be received by Company by the Effective Date of Standard Contract, or it automatically terminates
- Amount of Performance Assurance will be listed on the Cover Sheet of the Standard Contract (Section 9.1)
- Company will return a fully executed contract

Sample Performance Assurance Calculation

- MAQ x Contract Price x [10% for Med/20% for Lg/LREC]

- Example 1: 175 kW solar PV (Med ZREC) project
  - 273 RECs x $80.00/REC x 10% = $2,184.00
- Example 2: 600 kW solar PV (Lg ZREC) project
  - 933 RECs x $65.00/REC x 20% = $12,129.00
- Example 3: 1 MW fuel cell (LREC) project
  - 8,279 RECs x $40.00 x 20% = $66,232.00

Performance Assurance

- Both companies have detailed instructions for how to successfully provide Performance Assurance posted on their websites

- Acceptable forms of Performance Assurance
  - Cash in the form of an ACH or Wire
    - Please note that ACH payments take longer to process than Wire Transfers. Please plan accordingly for receipt by Company on or before the due date.
    - ACH and Wire instructions for sending Performance Assurance to either company are included on the Cover Sheet (i.e. bank account information)
  - Bank Check or Cashier's Check
    - Personal or business checks are **not** accepted

Step 3

Post-Execution Obligations: How to get from a contract to commercial operation

Prerequisites for REC Purchase

(Also refer to Section 4 of the Standard Contract)

- Complete and Sign the Certification Statement for REC Delivery Acceptance (includes items listed below)
  - In service no later than 1 year after selected Delivery Term Start Date
  - Interconnection agreement required (to be discussed later)
  - NEPOOL GIS registration
  - CT Class I Qualification Approval from PURA
  - Must have dedicated REC meter (to be discussed later)

6-Month Extension to Automatic Termination Provision Request

- Section 13.3.3(b) of Terms and Conditions
  - If you do not expect to achieve commercial operation within 12 months of the selected DTSD, you have the option to request a 6-month extension to the automatic termination provision
    - Beginning with Year 7, a second and final 6 month extension is available if you do not expect to achieve commercial operation within 18 months of the selected DTSD
  - Please refer to Article 14 of the Terms and Conditions for instructions on how to notify the Companies **prior** to the automatic termination date
  - Additional Performance Assurance in the amount listed in Section 9.1 of the Agreement must also be provided **prior** to the automatic termination date
- Again, as noted above, both the request for an extension along with the additional Performance Assurance ("PA") in an acceptable form must be received by the Company prior to the contract termination date.
  - Eversource: Extension request template available on our website via this link

6-Month Extension Guidance

Delivery Term Start Date (Section 2.2)	Automatic Termination Date	1st 6-month Extension Request and Additional Performance Assurance Due By 5pm on*:	2nd 6-month Extension Request and Additional Performance Assurance Due By 5pm on*:
07/01/2019	07/01/2020	Tuesday, June 30, 2020	Thursday, December 31, 2020
10/01/2019	10/01/2020	Wednesday, September 30, 2020	Wednesday, March 31, 2021
01/01/2020	01/01/2021	Thursday, December 31, 2020	Wednesday, June 30, 2021
04/01/2020	04/01/2021	Wednesday, March 31, 2021	Thursday, September 30, 2021
07/01/2020	07/01/2021	Wednesday, June 30, 2021	Friday, December 31, 2021
10/01/2020	10/01/2021	Thursday, September 30, 2021	Thursday, March 31, 2022
01/01/2021	01/01/2022	Friday, December 31, 2021	Thursday, June 30, 2022
04/01/2021	04/01/2022	Thursday, March 31, 2022	Friday, September 30, 2022
07/01/2021	07/01/2022	Thursday, June 30, 2022	Saturday, December 31, 2022
10/01/2021	10/01/2022	Friday, September 30, 2022	Friday, March 31, 2023
01/01/2022	01/01/2023	Saturday, December 31, 2022	Friday, June 30, 2023
04/01/2022	04/01/2023	Friday, March 31, 2023	Saturday, September 30, 2023
07/01/2022	07/01/2023	Friday, June 30, 2023	Sunday, December 31, 2023
10/01/2022	10/01/2023	Saturday, September 30, 2023	Sunday, March 31, 2024

*When this date falls on a weekend or a holiday, the Extension Request and Performance Assurance will be due on the last business day before the date noted.

CT Class I Qualification Approval from PURA

- Section 5.1.5 of the T&C's = it is the Seller's sole obligation to obtain CT PURA Class I Qualification
  - CT PURA rules require you submit a **separate application** to PURA for CT Class I Qualification after your project receives a final approval to energize
    - PURA – CT Class I Qualification Application
  - CT PURA will review Class I application, and upon approval, will grant CT Class I Qualification
    - Final PURA Decision must be provided by Seller to :
      - Buyer as listed on your Service Agreement
      - NEPOOL GIS

NEPOOL Generation Information System (GIS)

- Must set up GIS account or outsource GIS set up and maintenance
- Designate respective Buyer as the Third Party Meter Reader
  - Eversource: "CL&P LREC ZREC"
  - UI: "UILRECZREC"
- Initiate Forward Certificate Transfer (FCT) of RECs for the Life of the Agreement in GIS
  - Must create a FCT for entire life of Agreement with end vintage date that corresponds to your Delivery Term Start Date
- GIS rules are available from NEPOOL GIS (APX)
- Please visit the NEPOOL GIS website – www.nepoolgis.com

Prerequisites for REC Purchase

- Warning – If seller does not complete these steps:
  - Loss of revenue
  - Agreement may be terminated

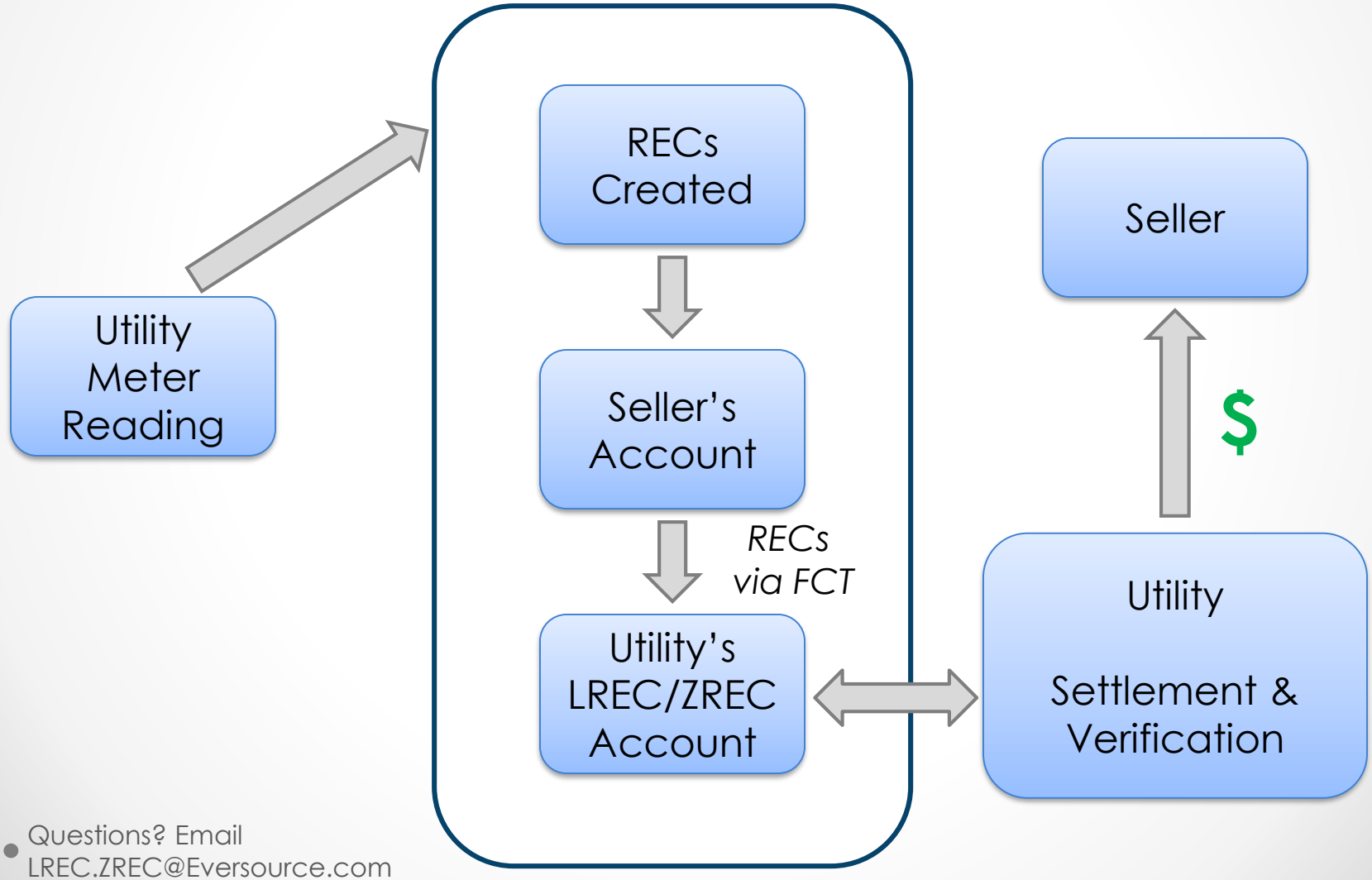
Step 4

Contract Administration: The 15 year Delivery Term

Contract Administration

- 15 year Agreement
  - Same rate, annual payments vary based on number of RECs delivered
- Companies will upload REC Meter Data
- NEPOOL GIS REC transfers constitute delivery
  - Forward Certificate Transfer
- Quarterly payments from Company to Seller on or before the last day of the month following receipt of RECs by Company via NEPOOL GIS

NEPOOL GIS


Utility Meter Reading
RECs Created
Seller's Account
RECs via FCT
Utility's LREC/ZREC Account
Seller
$
Utility
Settlement & Verification

NEPOOL GIS Transfer Schedule

- Transfer of RECs in GIS
  - From Seller's account to the Utility's LREC/ZREC account
- Schedule of REC production, transfer and payment

Energy Generation Quarter	REC Meter Read Upload Deadline (Meter Data Uploaded by Eversource or UI as the Third Party Meter Reader)	RECs Created Date	Payment Date (assuming RECs have been transferred to the LREC.ZREC account)
Q1 (Jan/Feb/Mar)	July 10	July 15	By August 31st
Q2 (Apr/May/Jun)	October 10	October 15	By November 30th
Q3 (Jul/Aug/Sep)	January 10	January 15	By February 28th
Q4 (Oct/Nov/Dec)	April 10	April 15	By May 31st

Other Contract Provisions

- Assignment of the Agreement in accordance with Agreement Provisions is permitted
  - Please refer to Article 11
    - Requires Notice to Buyer
    - Buyer has 30 days to review and approve/reject

- Excess REC options
  - Sell to 3rd party
  - "Bank" RECs to meet next year's MAQ

Eversource REC Meter Reads

- For Eversource customers, you may now register to view your REC meter reads online
  - If you would like to request to view REC meter reads for a given project, please return the completed Request to View REC Meter Reads form to lrec.zrec@eversource.com.
  - To view REC meter reads you will need to click the "View REC Meter Reads" button at the bottom of the Resources and Administration portion of our website.
  - You will use the login information submitted on the above form. Your User ID can be the same as an existing Eversource ID or the ID you use to submit REC bids and applications. You also have the option of creating a new User ID by clicking "Register Now" on the login page.
  - Once logged in, click the "View REC Meter Reads For Your Projects" button. Information for all projects where you are listed as an approved user will appear in the list. You will need to click the arrow to the left of the project you wish to view information for, shown below:

Eversource REC Meter Reads

Click this arrow to view monthly reads

REC METER READS

Project Name	Contract Number	Meter Number
TestProject1	S2-0000	123456789

Monthly Reads | Quarterly Reads | Chart

Month	Read(MWhr)
Read Year: 2016	
JANUARY	0
FEBRUARY	0
MARCH	13.065
APRIL	13.997
MAY	15.171
JUNE	18.544
JULY	17.797
AUGUST	17.146
SEPTEMBER	12.897
OCTOBER	10.467
	Total: 119.084(Mwhr)

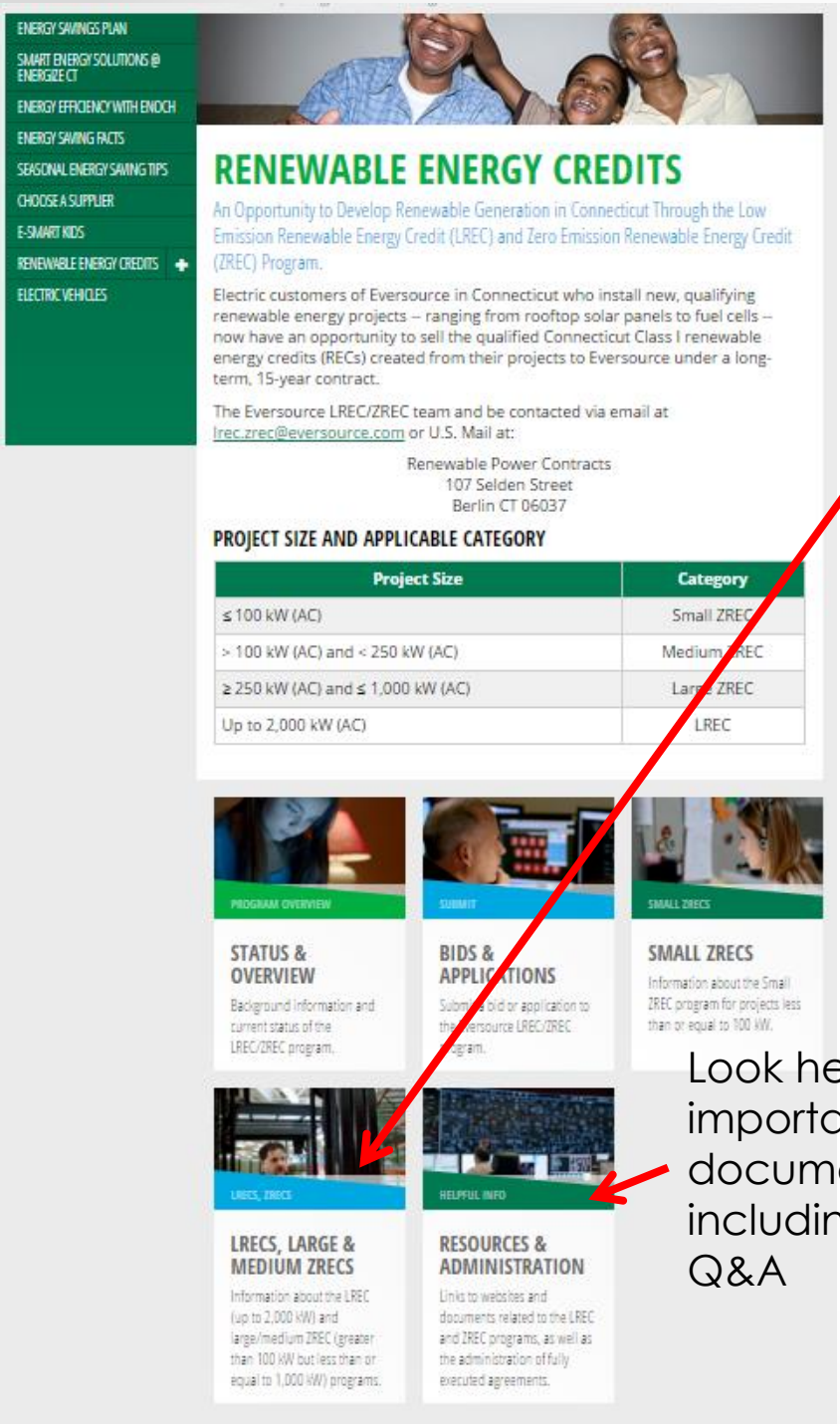
1

Displaying items 1 - 1 of 1

Contact Email and Websites

- Please submit questions or requests to be added to our distribution lists:
  - Eversource = LREC.ZREC@eversource.com
  - UI = lrec.zrec@uinet.com

- Please visit LREC/ZREC Websites at:
  - Eversource = www.eversource.com → Residential → Save Money & Energy → Renewable Energy Credits
  - For UI: www.uinet.com → Suppliers and Partners (lower portion of the webpage)→ Power Procurement →YEAR 9 RFP for LRECs and ZRECs



Look here for important documents including our Q&A

Click here to access the LREC, Large, and Medium ZREC page – at bottom of page you will see this:

YEAR 5 RFP

The following schedule is applicable to the Year 5 LREC/ZREC RFP:

Action Item	Date
Release of RFP	April 28, 2016
Bidders Conference - Webinar Only	May 13, 2016 - 9 to 11 a.m.
Deadline for Submission of Questions	May 27, 2016
Bid Forms Due	June 16, 2016 by 1 p.m. Eastern, at which time prices shall become firm, irrevocable and binding.

Key Documents for Year 5 LREC/ZREC RFP (in Adobe PDF format):

- Year 5 LREC/ZREC Request for Proposals Document
- Year 5 LREC/ZREC Standard Contract
- Year 5 LREC/ZREC RFP Bidders Webinar Slides - May 13, 2016
- LREC/ZREC Bid Certification Form
- LREC/ZREC CT Licensed Professional Engineer (PE) Certification
- LREC/ZREC Pending CT Green Bank Grant and/or Rebate Disclosure
- LREC/ZREC Manufactured/Researched/Developed Affidavits
- Summary Of Required Bidding Information

SUBMIT LREC/ZREC BID

Click here to submit an LREC/ZREC bid

/Suppliers and Partners / Power Procurement

IN THIS SECTION

- Electric Suppliers Aggregators
- Power Procurement
- Services and Resources
- Regulatory Information

SHARE

I want to:

Share in:

Power Procurement

The United Illuminating Company

Power Procurement RFP Information & Postings

This website contains information related to power supply RFPs being conducted by The United Illuminating Company ("UI"). The links below provide access to all RFP related materials. UI provides notice of new RFPs by email to the ISO New England Inc. group email for the Participant's Committee and the Market's Committee, and also to a UI maintained email notification list. UI also posts a news release regarding any new RFP to various media organizations and services. If you or your organization wish to be added to the UI maintained list for RFP email announcements, please send your request to the following email address: uipower@uinet.com

Contacts:

Email for Power Supply Related Communications: uipower@uinet.com

Email for LREC and ZREC Communications: lrec.zrec@uinet.com

Links to related Power Procurement pages

- Standard Service & Last Resort Service RFPs
- PURA Decisions
- LREC / ZREC Program Information and Documents
- YEAR 8 RFP for LRECs and ZRECs
- Small ZREC Program
- RFP for Combined Heat and Power Under Public Act 17-2

Click here for UI LREC/ZREC program information

Click here for UI RFP information and to submit a bid

Distributed Energy Resources Interconnection Process

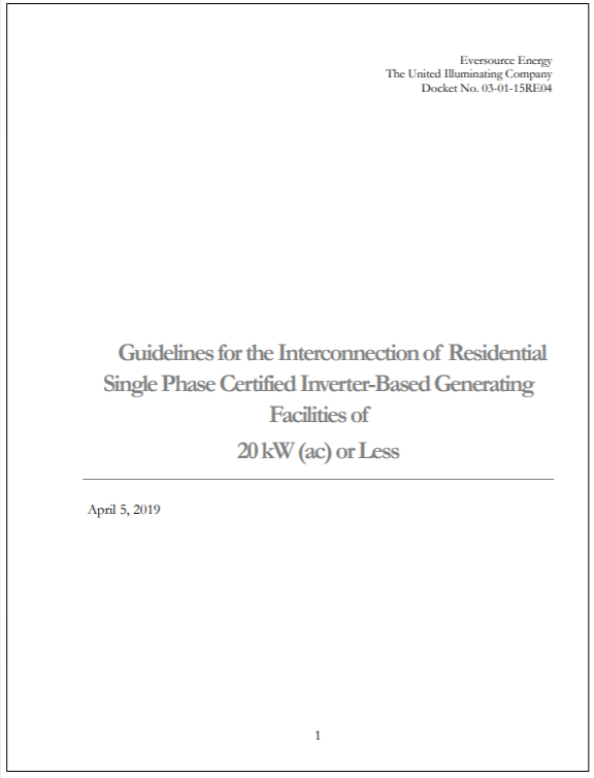
EVERSOURCE

UI An AVANGRID Company

Overview

- Eversource & UI follow the same process & technical guidelines with slight differences in implementation
- Standard Guidelines & Agreements are approved by the Public Utility Regulatory Authority (PURA)
- Purpose of Guidelines and Standards
  - To safely and reliably interconnect distributed generation
  - To identify the impact a Distributed Energy Resource (DER)may have on the Distribution System
  - To identify, communicate and implement costs and requirements to mitigate system impacts caused by the DER Interconnection

Interconnection Documents



Eversource Energy
The United Illuminating Company
Docket No. 03-01-15RE04

Guidelines for the Interconnection of Residential Single Phase Certified Inverter-Based Generating Facilities of
20 kW (ac) or Less

April 5, 2019

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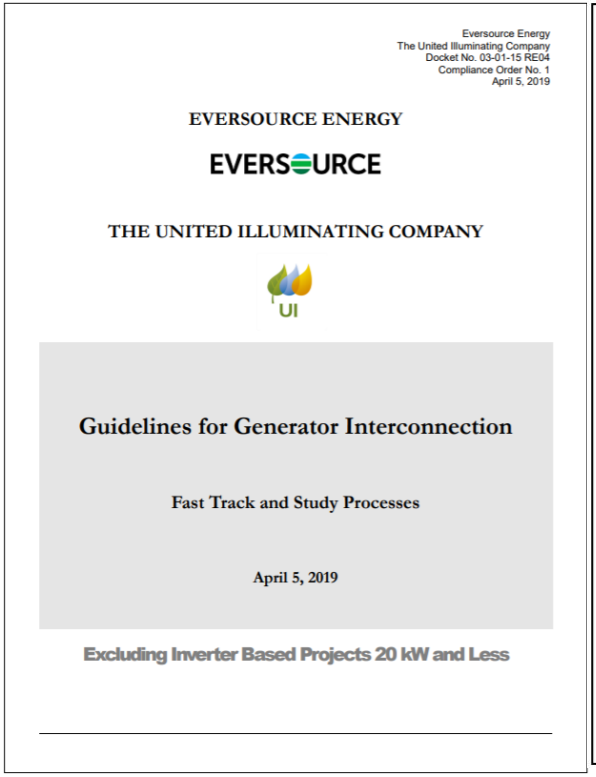


Eversource Energy
The United Illuminating Company
Docket No. 03-01-15 RE04
Compliance Order No. 1
April 5, 2019

EVERSOURCE ENERGY

EVERSOURCE

THE UNITED ILLUMINATING COMPANY

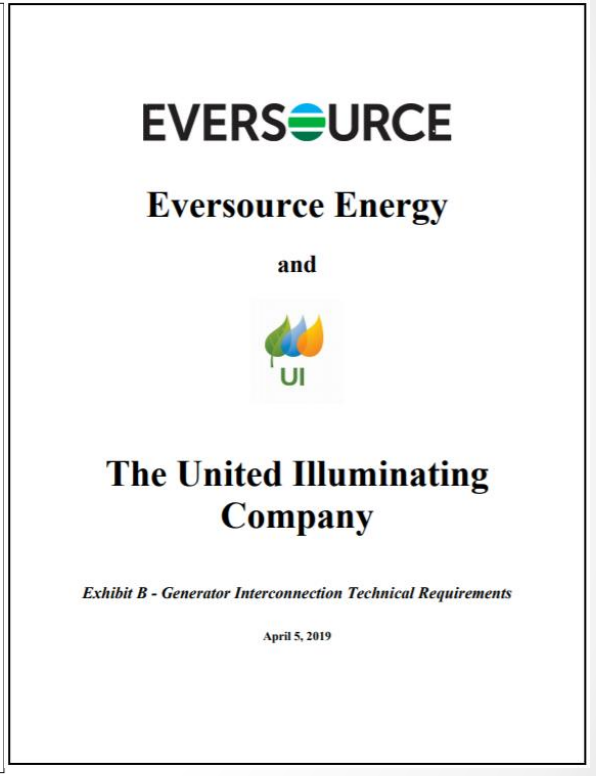
UI

Guidelines for Generator Interconnection

Fast Track and Study Processes

April 5, 2019

Excluding Inverter Based Projects 20 kW and Less



EVERSOURCE

Eversource Energy

and

UI

The United Illuminating Company

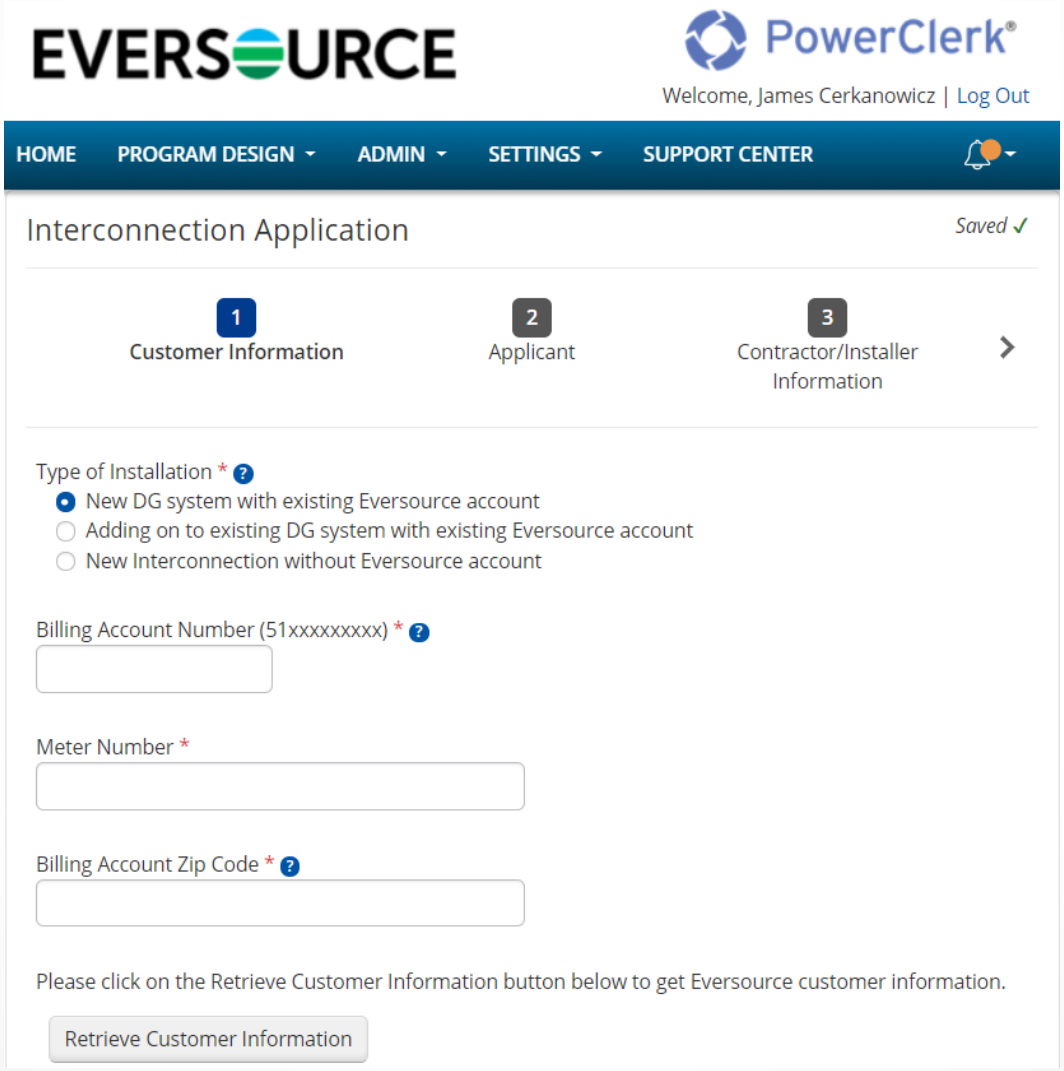
Exhibit B - Generator Interconnection Technical Requirements

April 5, 2019

- Questions? Email LREC.ZREC@Eversource.com

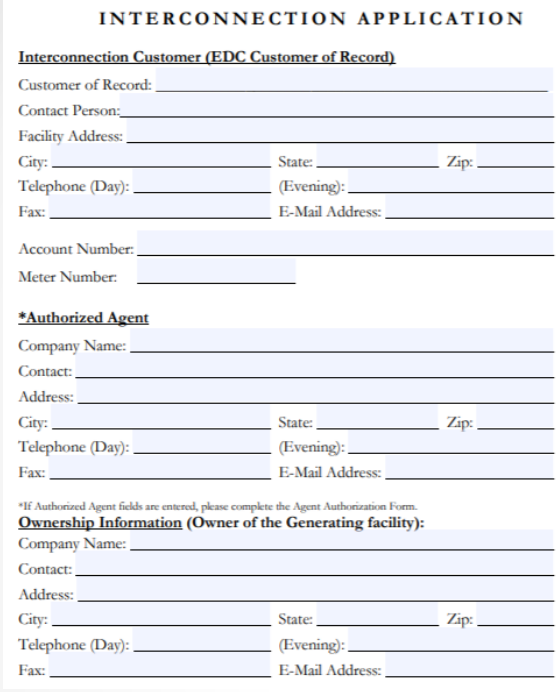
Applications

ONLINE APPLICATION FORM



An AVANGRID Company

Applications



INTERCONNECTION APPLICATION

Interconnection Customer (EDC Customer of Record)

Customer of Record: _____

Contact Person: _____

Facility Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Account Number: _____

Meter Number: _____

***Authorized Agent**

Company Name: _____

Contact: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

*If Authorized Agent fields are entered, please complete the Agent Authorization Form.

Ownership Information (Owner of the Generating facility):

Company Name: _____

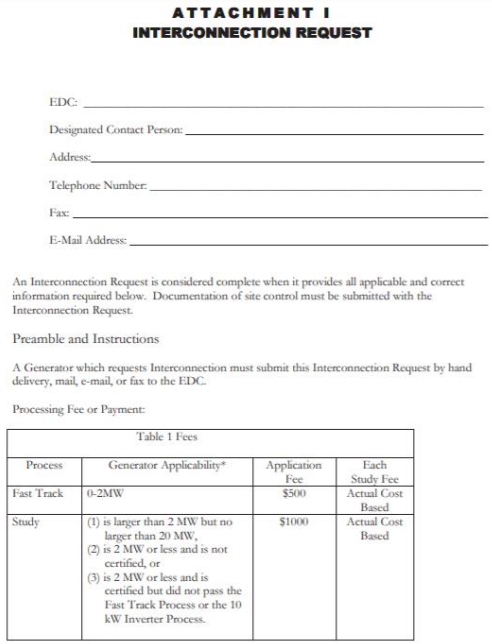
Contact: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____



ATTACHMENT I
INTERCONNECTION REQUEST

EDC: _____

Designated Contact Person: _____

Address: _____

Telephone Number: _____

Fax: _____

E-Mail Address: _____

An Interconnection Request is considered complete when it provides all applicable and correct information required below. Documentation of site control must be submitted with the Interconnection Request.

Preamble and Instructions

A Generator which requests Interconnection must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the EDC.

Processing Fee or Payment:

Table 1 Fees

Process	Generator Applicability*	Application Fee	Each Study Fee
Fast Track	0-2MW	$500	Actual Cost Based
Study	(1) is larger than 2 MW but no larger than 20 MW, (2) is 2 MW or less and is not certified, or (3) is 2 MW or less and is certified but did not pass the Fast Track Process or the 10 kW Inverter Process.	$1000	Actual Cost Based

ATTACHMENT I
INTERCONNECTION REQUEST

Each Generating Facility will have a One Line Diagram submitted and secured as an Attachment to the Interconnection Request (Attachment I). A one line electrical schematic is a diagram, drawing, or sketch that details the elements of a generating system, such as the elements of an electrical or electronic circuit or the elements of a logic diagram for a generator.

Generating Facility Information

Legal Name of the Generator (or, if an individual, individual's name)

Name: _____

Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Facility Location (if different from above): _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Alternative Contact Information (if different from the Generator)

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

APPLICATION IS FOR:

New Generating Facility? Yes ___No ___

Capacity addition to or Material Modification of an existing Generating Facility:
Yes ___No ___

Commencement of participation in the wholesale markets by an existing Generating Facility:
Yes ___No ___

A complete **application package can be mailed to**:

United Illuminating Company
Distributed Generation--MS: AD-2C
180 Marsh Hill Rd
Orange, CT 06477

You may email electronic copies of the required documentation to generator.connection@uinet.com but be sure to mail the payment and signed application to the address listed above.

The application package cannot be entered into UI's project queue without a complete signed interconnection application and payment.

Three Application Tracks

- Level 1/Simplified/Basic Process:

  Residential, single-phase, certified inverter based projects, ≤ 20 kW

- Level 2/Advanced/Fast Track Process:

  - Commercial projects and residential inverter based generation > 20 kW
  - All projects <= 2 MW that are not eligible for the simplified process

- Level 3/Over 2MW/Study Process:

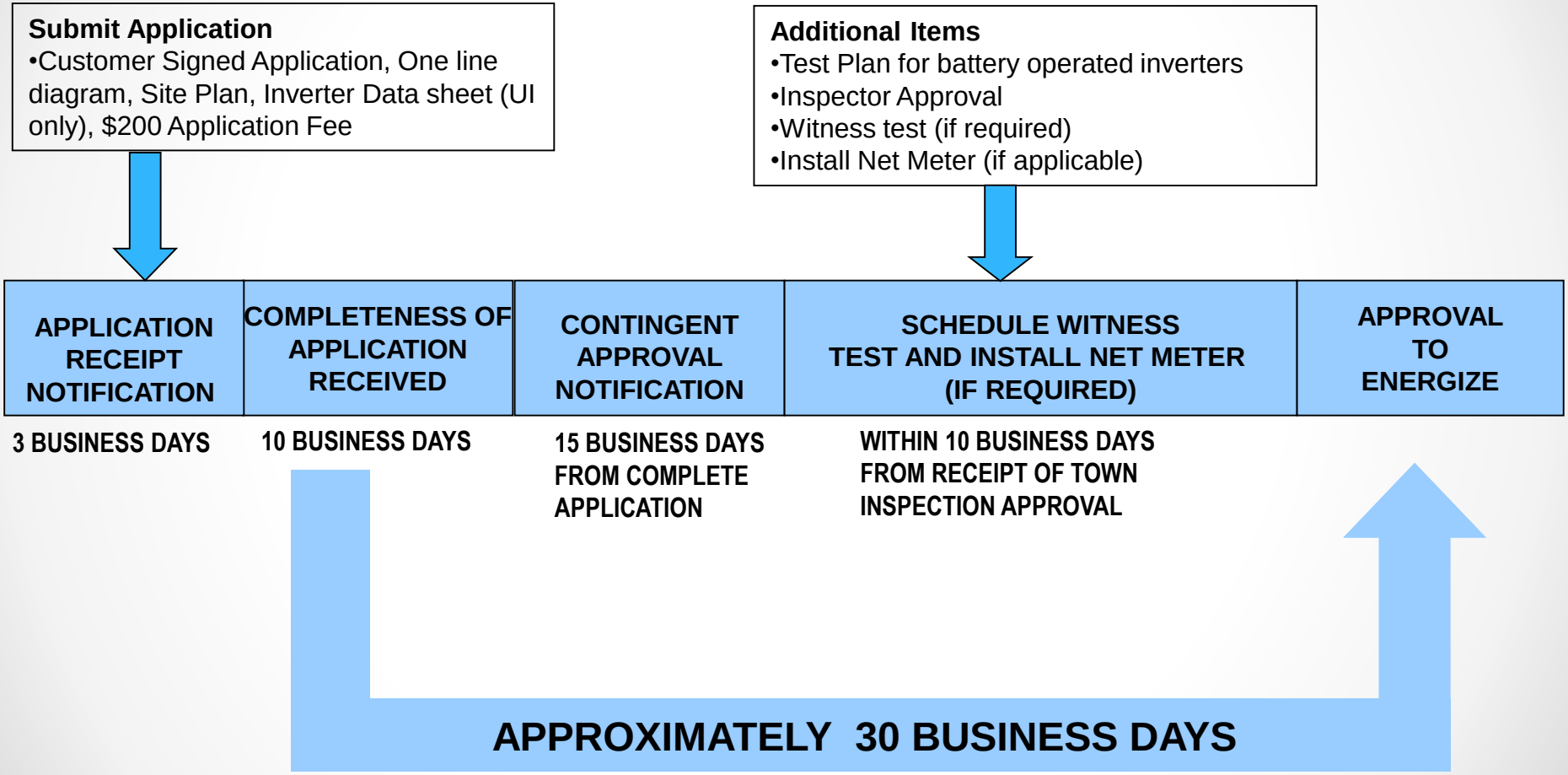
  projects > 2MW (up to 20MW) & projects that fail the Fast Track process

Key Attributes

Process	AC Rating	Initial Technical Screen (Business Days)	Application Fee	Witness Test Fee	General Liability Insurance Requirement	Inter-Connection Agreement Required?
Level 1	0-20 kw	15	$200	0 1st Test	None	No
Level 2	0-2 MW	15	$500	Cost Based	$300,000 to $2,000,000	Yes
Level 3	>2 MW and <20 MW	Varies	$1000	Cost Based	Generator Size Dependent	Yes

- Level 2 projects which do not pass the initial Fast Track technical screens may require additional studies
- ISO-NE notification form for projects ≥1MW (submitted by utility)
- ISO-NE transmission impact studies required for projects >=5MW (cost, scope & timeline varies)

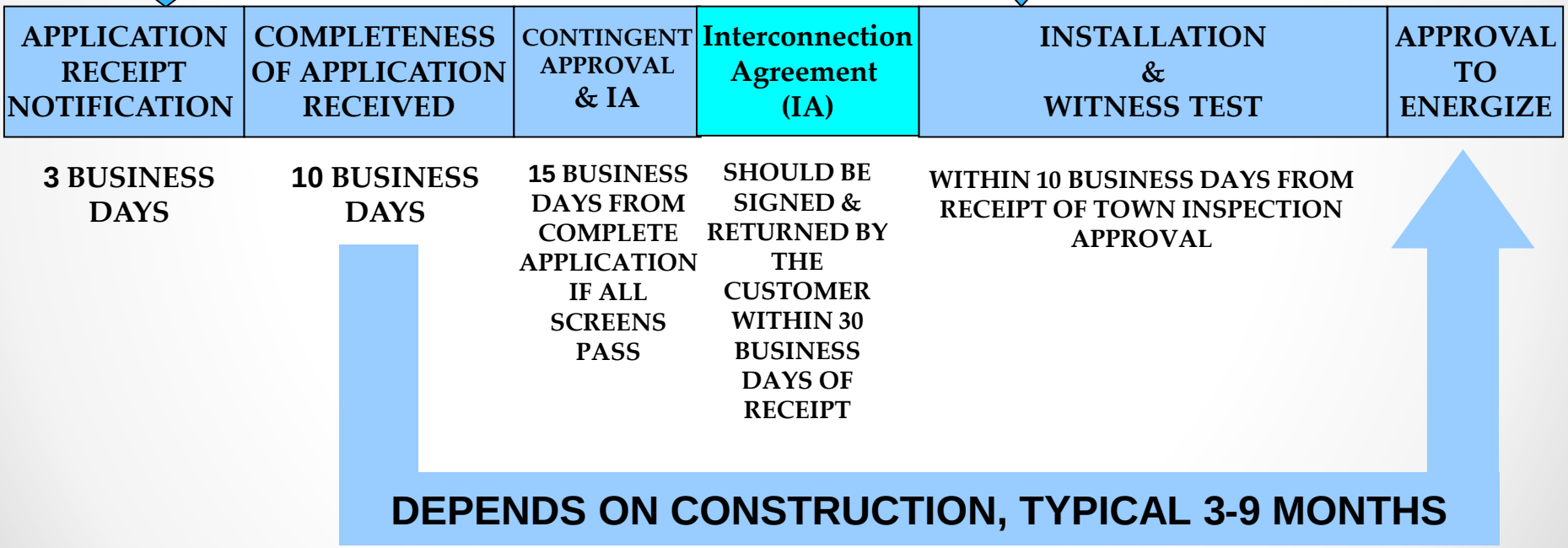
Level 1 Process



Level 2 - Fast Track Process

Submit Application – Customer Signed Application, One Line diagram, Site Plan, Proof of Insurance, Inverter Data sheet (UI only), $500 Application Fee

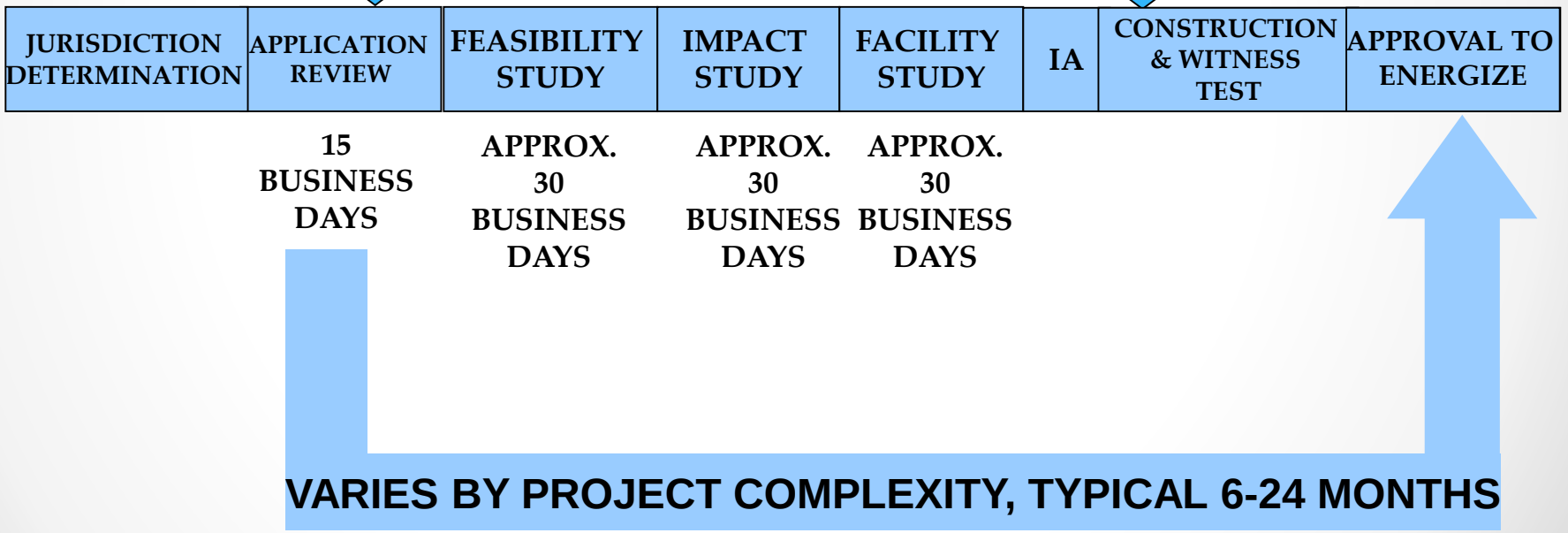
Additional Deliverables – Executed Interconnection Agreement, Test Plan, Inspector's Approval, Witness Test, Net Meter Installation



Level 2 Study and Level 3 Process

Submit Application – Customer Signed Application, One Line diagram, Site Plan, Proof of Insurance, Generator Data Sheet, $1,000 Application Fee

Additional Deliverables – Executed Interconnection Agreement, Test Plan, Inspector's Approval, Witness Test, Net Meter Installation



Keys to a Successful Interconnection

Typical for Behind the Meter Connections

- Current & accurate customer account information
- Submission of application fee
- Return of customer signed application form
- Line diagram that:
  - accurately depicts existing or proposed meter & service configuration
  - matches generation equipment listed on application
  - shows compliant point of connection,
  - meets technical requirements
  - meets utility specific requirements
  - Clearly identifies REC meter socket, with proper wiring configuration
- Site plan that clearly identifies:
  - Location of the utility meter
  - Location of the external AC disconnect switch (exterior, ground level, accessible)
  - Location of the REC meter socket (exterior, ground level, accessible)
- Timely signature & return of approval documents (CA & IA)
- Town inspection approval
- Completion of final testing requirements
- When communicating with Eversource or UI, ALWAYS refer to the unique Application ID number in the subject line of all emails

Keys to a Successful Interconnection

Typical for Large Scale Systems on New Service

- All other items on previous slide, plus:
- Utilize hosting capacity maps prior to submission
- New service design that meets utility's standards
- Accurate depiction of proposed path for new service
- Timely signature & return of all agreements and payments
  - IMPACT STUDIES
  - INTERCONNECTION AGREEMENT
    - SCHEDULE OF PAYMENTS AND MILESTONES
      - ADDITIONAL FACILITY STUDIES/TRANSMISSION STUDIES/ DETAILED ENGINEERING
      - EVERSOURCE PROCUREMENT AND CONSTRUCTION FEES
- Be aware of easements and follow the process closely
- Clear, frequent communication to project manager on status of project development on customer side

Interconnection Documents needed for REC Program

For Acceptance of REC Delivery Applications Behind New Service

- Receipt of Application Email (required for new services only)

For REC Delivery Acceptance of an Executed REC Contract

- Fully executed Interconnection Agreement (signed by all parties)
- Permission to Operate Letter (must be effective prior to REC contract termination date)

Additional resources and guidance for a successful interconnection

Eversource DER website:
www.eversource.com/content/ct-c/about/about-us/doing-business-with-us/builders-contractors/interconnections/connecticut-application-to-connect

UI Distributed Generation website:
www.uinet.com, under "Smart Energy", then "Innovation", click on "Distributed Generation"

For questions on specific applications after submission, please contact the Eversource or UI representative that is assigned to your application.

For general interconnection questions please contact:

- Eversource: CTDG@eversource.com
- UI: generator.connection@uinet.com

Thank You !

James Cerkanowicz- Eversource DER Interconnections Team

james.cerkanowicz@eversource.com

UI: generator.connection@uinet.com

Eversource REC Metering Information

- REC metering info: MPREC Document is located on the Resources and Administration portion of Eversource LREC/ZREC Webpage

- Questions: meterengineering@eversource.Com

Eversource Approved REC Meter Types

FORM	METER TYPE	CLASS	COMMUNICATIONS TYPE	
GROUP A				
2S, 4S*, 9S*, 12S, 16S	3 ERT (REGISTER READS)	**20/200/320**	**HIGH POWERED ERT**	
2S, 4S*, 9S*, 12S, 16S	INTERVAL RECORDING	**20/200/320**	**CELLULAR**	
9S*, 16S	INTERVAL RECORDING	**20/200/320**	**Ethernet**	
GROUP B				
9S**	**ION 8650 C**	**PROVIDED DURING REVIEW**	20 AMPS	ETHERNET
*** INSTRUMENT TRANSFORMER RATED FORM TYPES (CTs AND/ OR VTs REQUIRED)**				
**** OTHER FORMS MAY BE AVAILABLE UPON REQUEST**				

Facility Size		Meter Group
LEVEL 1	0.0 < 20.0kW	A , B
LEVEL 2	>= 20.0 to < 50 kW	A , B
LEVEL 3	>= 50.0 to < 100 kW	A , B
LEVEL 4A	>= 100 kW to < 1000 kW	A , B
LEVEL 4B	>= 1000 kW to 2,000 kW	B (ETHERNET ONLY)

Eversource Validation Requirements

- **AFTER THE REC METER IS INSTALLED AND THE SYSTEM IS ON-LINE AND GENERATING, THE PROJECT REP MUST SEND AN EMAIL TO** meterengineering@eversource.Com
- The email subject header must include the following information related to the project:
  - Name
  - Address
  - Contract number
- (a) for rec meters read via **ert** (van drive-by), there are two options for validation requirements:
  - Fill out and sign the "I/z rec meter validation form".
  - Provide a picture of rec meter's display id10
    The direction of flow arrow on the display will be pointing to the right.
- (b) for rec meters with **cellular** or **ethernet** communications, after the rec meter is installed and the system is on-line and generating, the project rep must send an email to meterengineering@eversource.Com

UI Metering Requirements

- All installations must follow the "UI Guidebook of Requirements for Electric Service".
- All installations must follow the "Guidelines for Interconnection".
- Installations shall meet published requirements for accessibility and location.
- A new process for requesting a REC meter installation is in place. When requesting a REC meter installation the following information must be provided to the Customer Service Representative:
  a) Project Number as listed on the Service Agreement/Contract
  b) Account Number
  c) POD ID number

UI
Cost Responsibilities

- UI will own, install, read and maintain all meters and metering transformers within its service territory.
- Program participants, at their cost, will provide approved meter provisions and, if needed, instrument transformer cabinets.
- LREC/ZREC metering requirements document is located on UI LREC/ZREC Program Information and Documents webpage.

UI
Metering Information

- Multiple provisions/cabinets may be required
- Requirements for multiple provisions/cabinets will be made by UI staff during early design meetings with installers.
- If the customer participates in Net Energy Rider, additional metering may be required

UI
Metering Information

- LREC/ZREC meters will be located after any inverters and before any load
- Power storage equipment (battery bank and charger) must be located between the generator and the inverter
- Installations with power storage equipment will be net energy measured

UI
Meter Data

- Revenue meter data will be provided monthly to customers, including Net Energy, pursuant to customer's tariff
- UI will provide monthly LREC/ZREC meter data to NEPOOL GIS for determination of RECs generated

Key Documents

- Eversource Key Documents:
  - LREC/ZREC Webpage – LRECs, Medium and Large ZRECs
  - Eversource Bid Certification Form
  - Eversource Summary of Required Bidding Information
  - Eversource Performance Assurance Instructions
  - Eversource Resources and Administration webpage
    - Includes links to assignment documents, extension request information, information on requesting to view REC meter reads, certification statement for REC delivery acceptance, etc.

- United Illuminating Key Documents:
  - Main page: YEAR 9 RFP for LRECs and ZRECs
  - Year 9 Bid Certification Form (Required for Bid Submission)
  - Year 9 Request for Proposals
  - UI Bid Form Instructions
  - Amended Solicitation Plan
  - LREC / ZREC Program Information and Documents

Q&A

- Please use “Raise Hand” function in GoToWebinar

Thank You

- Submit questions via email following the webinar:
  - LREC.ZREC@eversource.com
  - LREC.ZREC@uinet.com

- Key Documents:
  - Amended Solicitation Plan – Revised April 29, 2020
  - Year 9 RFP – Revised May 14, 2020
  - Year 9 RFP Standard Contract
  - Acceptable Forms and Methods of Providing Performance Assurance (Eversource)
  - Q&A
  - Overview of the LREC/ZREC Program

ATTENTION:

- The following slides regarding Rates and Riders for Customers with Distributed Generation are included below **for your information only**, and will not be discussed during today's presentation as the appropriate parties were not available to speak to them
- All questions regarding Net Metering/Virtual Net Metering should be emailed directly to:
  - Eversource: James.Mierzejewski@Eversource.com
  - UI: Mark.Colca@uinet.com

Rates and Riders for Customers with Distributed Generation

(Net Metering/Virtual Net Metering)

Electric Service Rates and Riders

- Electric distribution company customers hosting a distributed generation (DG) project receive electric service under an applicable general service rate and may be eligible for a number of rate options:
  - Net Energy Billing
  - Distributed Generation Rider
  - Virtual Net Metering
  - Power Purchase

Net Energy Billing ("Net Metering")

- Two Net Energy Billing Riders
  - Qualifying Facilities and Non-Class I Renewable Resources
  - Class I Renewable Energy and Hydropower Resources
    - Customers with Class I renewable energy or hydropower resources
      - Up to 2,000 kW nameplate capacity
      - Billing based upon customer's electric service tariff
      - Net energy billing and "banking" of excess net energy production (kilowatt-hours or kWh) performed monthly
      - Annual end-of-period credit for any unused banked kWh
      - Riders
        - Eversource: "Rider N - Class I Renewable or Hydroelectric"
        - UI: "Class I Renewable Energy Rider NEC1" (Rider NEC1)

Net Energy Billing (continued)

- Customers with Class I renewable energy or hydropower resources (continued)

Additional Details:

- Annual Banking and Credits
  - Two annual banking periods: April to March and October to September (added in Docket No. 15-09-03)
  - At the end of each annual period (customer choice March or September):
    - Any unused, banked kWh will be "purchased" at the average ISO-NE CT Zone real-time locational marginal price ("LMP") of that period
    - Purchase Price
      - PV: Average annual LMP (all hours between 10 am and 4 pm)
      - Other resources: Average annual LMP (all hours)
    - Bank reset to zero kWh

Net Energy Billing (continued)

- Qualifying Facilities and Non-Class I Renewable Resources

  - Nameplate capacity of up to
    - 50 kW Qualifying Facilities
    - 500 kW Non-class I Renewable Resources
  - Billing based upon customer's electric service tariff
  - Net energy billing performed and credit applied for excess energy delivered to EDC on a monthly basis
  - Pricing based on power purchase schedule
  - Riders
    - Eversource: "Rider N – Non-Class I Renewable and QF"
    - UI: "Distributed Generation Facility Net Energy Rider NE" (Rider NE)

Distributed Generation Riders

Electric DG Rider

- Applicable to customers who receive electric service under a firm service rate that includes a distribution demand ratchet
- Subject to enrollment and qualification requirements
- Provides for waiver of the distribution demand ratchet
- Applicable rate schedules:
    - Eversource: Distributed Generation Rider
    - UI: Rider DG

Gas DG Delivery Rebate Rider

- Available to customers under specified gas service rates
- Subject to enrollment and qualification requirements
- Rebate delivery service charges for supply of gas to the customer's DG system
- Comparable rate schedules for CNG, SCG and Yankee Gas

Virtual Net Metering (VNM)

- VNM rider is available to Agricultural, Municipal and State of Connecticut customers
- A number of changes to the program have occurred since inception
  - Final Decision under Docket No. 13-08-14 issued July 21, 2014
    - Program specifications
  - Final Decision under Docket No. 13-08-14RE01 issued December 17, 2014
    - Reopened to address implementation for "stand alone" VNM facilities
    - Established calculation of VNM credits for all Customer Host facilities
  - Final Decision under Docket No. 13-08-14RE02 issued December 2, 2015
    - Eliminated Unassigned VNM Credits that were carried to end of year
    - All VNM credits now allocated each month to beneficial accounts without carrying over to following months
  - Final Decision under Docket No. 15-09-08 issued February 3, 2016
    - Agriculture ownership structure of VNM facility
  - Final Decision under Docket No. 13-08-14RE03 issued October 26, 2016
    - Commercial Operation time period and Agriculture Host documentation

Virtual Net Metering Program Features and Implementation

- Annual VNM Credits
  - The maximum, aggregated annual compensation to all customers under the VNM program is $2 million for UI and $8 million for Eversource
  - Additional allocation of $6 million ($1.2 UI, $4.8 Eversource) available for Municipal Hosts who submitted an interconnection and VNM application on or before April 13, 2016
  - Additional allocation of $3 million ($0.6 UI, $2.4 Eversource) available for Agricultural Customer Hosts utilizing an anaerobic digestion Class I renewable energy source
  - Individual Customer Host annual cap based on estimated excess kWh production and rates in effect at time of application
  - When an individual Customer Host annual cap is reached in a calendar year, net energy billing continues and all excess kWh produced is compensated under the applicable power purchase rate for the remainder of the year

- Application Process, Queuing and Program Caps
  - VNM application made after applying for generator interconnection
  - 12 months to place project in service; two sequential 6-month extensions (refundable fee) available
  - Individual, sector and company queues evaluated on basis of individual customer VNM credit caps

Virtual Net Metering Program Features and Implementation (Continued)

- VNM Facilities up to 3 MW Class I (all) or Class III (Municipal & State)
  - **Municipal or State Customer Hosts** fully own, lease or be under L-T contractual arrangement for receipt of power from VNM facility
  - **Agricultural Customer Hosts** fully own, or holds an equity interest in a special purpose entity (SPE) that owns the VNM facility
- Net Exported kWh
  - Amount of excess kWh delivered by the Customer Host to the electric distribution system
  - Equal to the total kWh exported by the Customer Host to the distribution system less the total kWh imported by the Customer Host from the distribution system over a monthly billing period
- VNM Credit Determined Monthly
  - VNM Credit = (Net Exported kWh) x (SS or LRS + % T & D rates of Customer Host)
- Allocations of VNM Credits to Beneficial Accounts
  - **Municipal & State Beneficial Accounts:**
    - Up to 5 Municipal or State, respectively, plus
    - Up to 5 respective non-Municipal or non-State Critical Facilities connected to Microgrid
  - **Agricultural Beneficial Accounts:**
    - Up to 10 consisting of Agricultural, Municipal or non-commercial critical facilities connected to Microgrid

Power Purchase Rates

- Available to any self-generation facility not under long-term electric purchase agreement
- Purchase of electricity delivered to EDC
- Energy (kWh) only
- Pricing based on ISO-NE CT Zone Real-Time LMP
- Applicable rate schedules:
  - Eversource: Rate 980
  - UI: Power purchased at SG2 rate (energy component of LMP only)

Questions?

For Rates, Net Metering, Virtual Net Metering Questions, please contact:

- Eversource: james.mierzejewski@eversource.com
- UI: mark.colca@uinet.com