Community Power and Net Metering

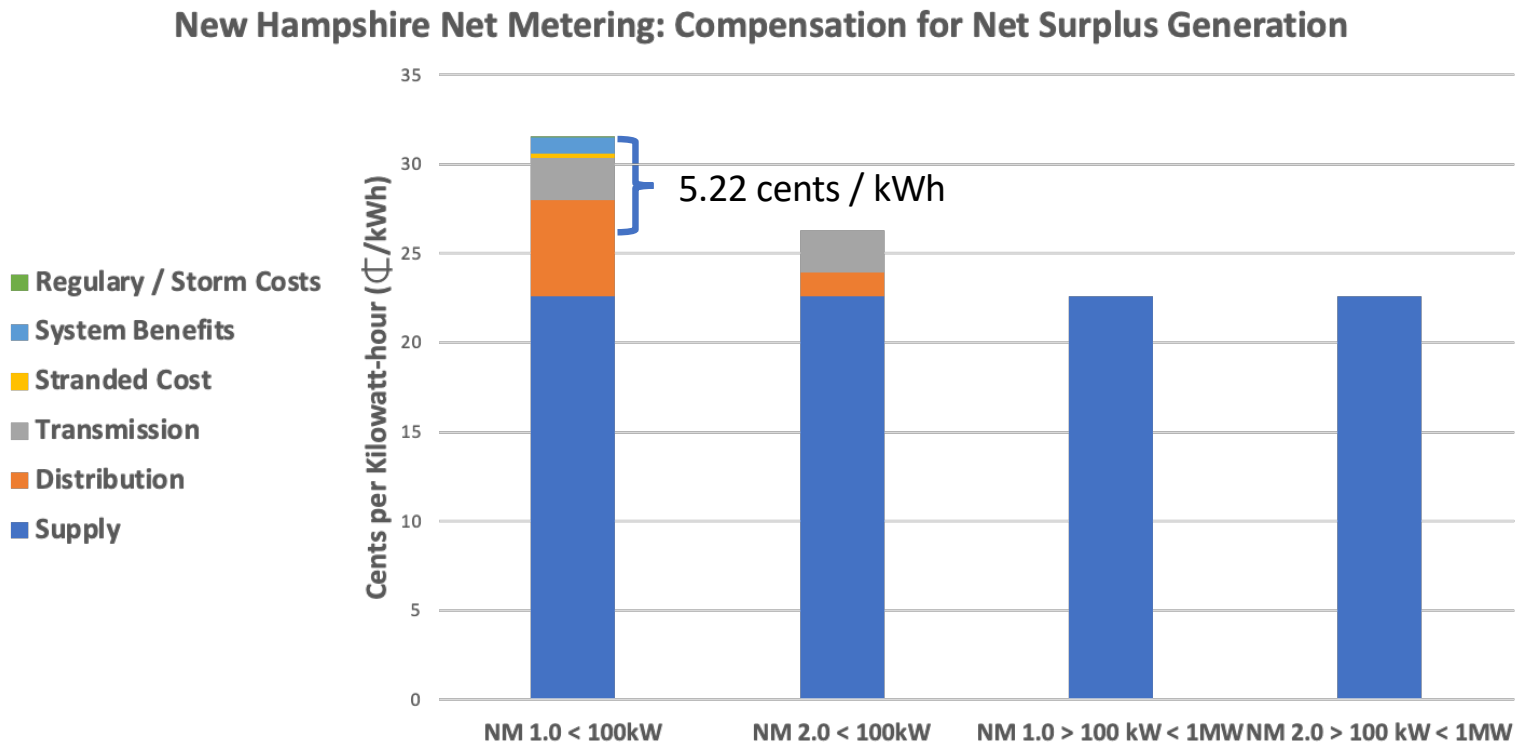
Portsmouth Energy Advisory Committee

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Net Metering Basics

- Customers with grid-connected solar photovoltaic resources
- Participate in net metering program with utility
- Solar production offsets customer electricity consumption
  - Similar to the meter running backwards or “net metered”
- Sometimes, the solar production exceeds consumption
  - “Net surplus generation” compensation and settlement practices vary
- Rights to renewable energy attributes belong to the customer
  - Renewable Energy Certificates (REC) can be sold separately
- ”Group” net metering expands solar production treatment to groups of customers

Net Surplus Generation Compensation



Net Surplus Generation Settlement

NEM 1.0 "Standard NEM" Offered prior to 9/1/2017	NEM 2.0 "Alternative NEM" Effective 9/1/2017
kWh credit carried forward. **May be refunded at a rate calculated by the Public Utilities Commission (typically ~3 to 5¢ per kWh).**	**kWh converted to monetary credit automatically each month.** **Monetary credit carried forward as a bill credit or refundable.**

Community Power Proposal

- Portsmouth Community Power intends to provide new rates and terms that compensate participating customer-generators for the **electricity supply component** of their net metered surplus generation.
- Customer-generators will continue to receive any **non-supply related components** (e.g., transmission and distribution credits) directly from Eversource, as specified under the terms of their applicable net energy metering tariff.
- For group net metering where the host customer-generator is on default service, to the extent Portsmouth Community Power supply rates are lower than Eversource default service or if the host is located outside of Portsmouth, it may be most advantageous for the host to remain a Eversource default service customer, while the **other group members are free to switch to Portsmouth Community Power for their supply and continue to receive on-bill credits for their participation in the group**.
- Portsmouth Community Power's **exact terms, conditions, and rates** for compensating and crediting different types of NEM customer generators in the City **will be set at duly noticed public meetings and fully disclosed** to all prospective NEM customers through the program's enrollment notification process and thereafter.

- *The program could credit customers currently on the utility's NEM 2.0 tariff in the same way that NEM 1.0 customers are credited (i.e., using kWh credits to track surplus generation on the supply portion of the bill).*