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Comments for Workshop #2 of the Evaluation of RI Distributed Generation Policies submitted by Dana Weinberg on behalf of Sunwatt Solar.

- 1. Compensation Mechanisms: Of the options for DG Compensation Mechanisms on slide
- 11, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for compensating DG projects, and why?

The most appropriate form of compensation for Small Scale Solar PV projects (residential and small commercial) is Net Metering with volumetric based bill crediting for excess net production on a monthly basis.

Net metering allows for adding future capacity as homeowners and small businesses add electrical loads. In addition, the nature of the system tie-in to the central electrical infrastructure (main service panel) makes it more feasible to incorporate and/or add an energy storage component which will help encourage the adoption of energy storage as the technology evolves.

2. Compensation Term: Of the options for the potential compensation term for DG projects on slide 13, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for compensating DG projects, and why?

Optimally RI would adopt a 20-Year term from the date of PTO in which the net metered system is "grandfathered" in, and protected against any changes to the Net Metering Tariff and/or incentive changes.

3. Transferred Attributes: Of the options for attributes to be transferred from DG project owners to the EDC on slide 15, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for compensating DG projects, and why?

DG project owners would retain the full value of the energy used in the form of direct offset per kWh and as a carried forward volumetric bill credit. In turn, the EDC would be assigned the full value of RECs which would be used to offset the cost to rate payers.

4. Ratepayer Crediting of Gains from Attribute Sales: Of the options for crediting gains from the sales of attributes from eligible DG projects to the EDC on slide 18, which of the potential options presented (or an option not named therein that you recommend) is

most appropriate for compensating DG projects, and why?

The gains from selling RECs should be Disproportionately credited to low-income customers. Optimally a portion of the gains would be used to create favorable financing and/or rebate programs to make DG adoption feasible for low-income households.

5. Price-Setting Mechanism: Of the options for DG Price-Setting Mechanisms on slide 19, which of the potential mechanisms presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?

Net Metering credits should be carried over by volume per kWh on a month to month basis directly offsetting onsite consumption. However, entertaining a "cash out" mechanism valued at the LRS rate only on April 1st of each calendar year could be a feasible compromise if system owners are not limited to sizing rules based on historical consumption. The April 1st date is critical to ensure system owners are able to use the excess kWh to offset electrical usage in the winter season.

This will allow system owners to consider future electrical loads during the initial system design, and also prevent an excess of volumetric credits from building up on an account. In turn, the EDC would be protected from paying full retail value for excess credits. The LRS rate value should result in a fair compensation for over-sized net metered systems.

6. Structure of Bill Credit Compensation to Projects <=25 kWAC Receiving Bill Credits: Of the options for the structure of bill credits allocated to DG project owners (and then to offtakers, if different) on slides 21 and 22, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects that are less than or equal to 25 kWAC, and why?

See above comments from question 5. In addition, at the time of the "cash out" DG system owners should have the option to allocate any remaining kWh credits to the account of a RI Non-Profit and/or Low-Income residential account holder (Rate A-60) as a direct volumetric transfer.

This would be facilitated via a new "Schedule B Form" that was limited to Non-Profit or A-60 rate off takers. The system owner can either allocate via the Schedule B, or opt to take the value at the LRS rate. Schedule B would be limited to one off-taker to mitigate administrative costs and could be changed once per calendar year.

- 7. Structure of Bill Credit Compensation to Projects >25 kWAC Receiving Bill Credits: Of the options for the structure of bill credits allocated to DG project owners (and then to offtakers, if different) on slides 21 and 22, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects that are greater than 25 kWAC, and why?
- 8. Eligible Project Sizing to Load: Of the options for requiring projects (or project capacity allocations from off-site projects) to be sized to load on slide 25, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?

- 9. Eligible Accounts and Associated Capacity (Projects Serving On-Site Load): Of the options for Eligible Accounts and Associated DG Capacity shown on slide 27, which of the potential mechanisms presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 10. Eligible Accounts and Associated Capacity (Projects Serving On-Site Load): Of the options for Eligible Accounts and Associated DG Capacity shown on slide 28, which of the potential mechanisms presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 11. Credit Offtaker Enrollment: Of the options for Credit Offtaker Enrollment shown on slide
- 30, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 12. Incentivizing Beneficial Siting: Of the options for Incentivizing Beneficial Siting shown on slide 32 (including for those associated with competitive procurements and those not associated with competitive procurements), which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 13. Disincentives for/Prohibitions on Siting on Certain Greenfield Parcels: Of the options for disincentivizing or prohibiting siting projects on certain greenfield parcels of land shown

on slide 34, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?

- 14. Behind-the-Meter Time-Varying Rate (TVR) Integration: Of the options for integrating time-varying rates into behind-the-meter DG compensation shown on slide 36, which of the potential mechanisms presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 15. Paired Energy Storage Incentive Design: Of the options for compensating paired energy storage systems shown on slide 37, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?
- 16. Paired Energy Storage Incentive Design: Of the options for dispatching paired energy storage systems shown on slide 38, which of the potential options presented (or an option not named therein that you recommend) is most appropriate for DG projects, and why?