

This is an important notice. Please have it translated.

Este é um aviso importante. Quiera mandá-lo traduzir.
Este es un aviso importante. Sirvase mandarlo traducir.
Avis important. Veuillez traduire immédiatement.

ĐÂY LÀ MỘT BÀN THÔNG CÁO QUAN TRỌNG
XIN VUI LÒNG CHO DỊCH LẠI THÔNG CÁO NÀY
Questa è un'informazione importante.
Si prega di tradurla.

Это очень важное сообщение.
Пожалуйста, попросите чтобы
вам его перевели.

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December 1, 2009

Dear ,

The Massachusetts Department of Public Utilities (DPU) has approved revisions to National Grid's net metering tariff effective December 1, 2009 in compliance with the August 20, 2009 Order Adopting Model Net Metering Tariff issued by the Department of Public Utilities M.D.P.U. No. 1177.

You are receiving this letter because our records indicate that you own and operate a facility currently receiving the average monthly clearing price from the ISO-NE for any excess generation on your monthly bills. Under the new tariff net metering credit compensation varies by generation system size and type. The compensation going forward will now be the total per kWh charge you pay for energy delivered by National Grid less the energy efficiency surcharge, the renewable surcharge, and the customer charge for any excess monthly generation. In virtually all cases, the compensation will be greater than you have been receiving to date.

We have attached an explanation of net-metering and the change in compensation to this letter for further information. In addition, to take advantage of the Company's energy efficiency programs, please go to the Company's website, www.powerofaction.com to find ways to save energy.

If you have any further questions, please contact Chandra Bilsky at 781-907-1627.

Sincerely,

Timothy Roughan
Director of Distributed Resources

Net Metering in MA (as of December 1, 2009)

Who is eligible: Customers with generating facilities up to 60 KW in aggregate capacity are eligible. Wind, solar and agricultural facilities up to 2,000 KW in aggregate capacity are also eligible.

Who is NOT eligible: All other generating facilities not described above are ineligible for net metering. Non-solar, non-wind, and non-agricultural facilities over 60 kW are not eligible for net metering. Those facilities which are ineligible may be able to sell excess power to National Grid at wholesale rates if they can meet the requirements of a Qualifying Facility.

What is net metering: Solar and wind based systems are intermittent generators which only produce electricity when a source of energy is present (e.g. when the sun is shining for solar and wind blowing for wind). When a source of energy is not present the generator does not produce power and may even use electricity for power electronics. Customer loads vary over time (e.g. lights, HVAC, plug loads, etc).

Customers who have a solar photovoltaic systems and/or wind turbine systems will draw power from the electric grid when their generation does not meet the energy needs of the facility loads. These same customers may send power to the grid at times when their electric generation exceeds the energy needs of the facility. Net metering allows the customer to net out the energy drawn from the grid with energy sent to the grid over a billing period (billing month). For most small customers (residential and small business), National Grid simply reads the retail meter at the beginning and end of the billing month to determine the net use or export.

At the end of a billing month, if a customer has used more energy than they have sent out to the grid (i.e. their meter reading went up during the billing month), they will only have to pay energy related charges for the net energy used during the billing month. They used all the energy produced by their generator during the billing month, and this reduced the energy they had to purchase from the utility. If the customer has sent more energy to the grid than was drawn from the grid during the billing month (i.e. their meter reading went down during the billing month), then the customer is a net exporter during that billing period. When a customer is a net exporter during a billing period, they are billed for zero kilo-watt hour usage and a renewable generation credit will be applied to the account.

The credit is determined by multiplying the net export KWH times the sum of the eligible charges. There are 3 sets of eligible charges that may be applied and vary by classification. The classifications and net metering calculations are listed under the M.D.P.U. No 1177 Net Metering Provision section 1.01 and section 1.06. The determinants are provided below for your reference:

Class I Net Metering Facility means a plant or equipment that is used to produce, manufacture, or otherwise generate electricity and that is not a transmission facility and that has a design capacity of 60 kilowatts or less.

Class II Net Metering Facility means an Agricultural Net Metering Facility, Solar Net Metering Facility, or Wind Net Metering Facility with a generating capacity of more than 60 kilowatts but less than or equal to one megawatt; provided, however, that a Class II Net Metering Facility owned or operated by a Customer which is a municipality or other governmental entity may have a generating capacity of more than 60 kilowatts but less than or equal to one megawatt per unit.

Class III Net Metering Facility means an Agricultural Net Metering Facility, Solar Net Metering Facility, or Wind Net Metering Facility with a generating capacity of more than one megawatt but less than or equal to two megawatts; provided, however, that a Class III Net Metering Facility owned or operated by a Customer which is a municipality or other governmental entity may have a generating capacity of more than one megawatt but less than or equal to two megawatts per unit.

Calculation of Net Metering Credits

1. For a Class I Wind Net Metering Facility, Class I Solar Net Metering Facility, Class I Agricultural Net Metering Facility, Class II Net Metering Facility, and Class III Net Metering Facility where the Host Customer is a municipality or other governmental entity, the Company shall calculate for each Billing Period a Net Metering Credit equal to the product of the excess kWh, by time-of-use if applicable; and sum of the following Distribution Company charges applicable to the rate class under which the Host Customer takes service:

- the basic service kWh charge
- the distribution kWh charge
- the transmission kWh charge
- the transition kWh charge.

2. For a Class I Net Metering Facility other than a Class I Wind Net Metering Facility, Class I Agricultural Net Metering Facility, or a Class I Solar Net Metering Facility, the Distribution Company shall calculate a Net Metering Credit for each Billing Period as the product of the excess kWh, by time-of-use if applicable; and average monthly clearing price at the ISO-NE.

3. For a Neighborhood Net Metering Facility or a Class III Net Metering Facility where the Host customer is not a municipality or governmental entity, the Distribution Company shall calculate a Net Metering Credit for each Billing Period as the product of the excess kWh, by time-of-use if applicable; and sum of the following Distribution Company charges applicable to the rate class under which the Host Customer takes service:

- the basic service kWh charge
- the transmission kWh charge
- the transition kWh charge.

Customers are always responsible for the customer charge and any demand related charges, even if they are a net exporter during a billing month.