



## Washington Electric Cooperative, Inc

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Case No 18-0086-INV

RE: Biennial Update of Net Metering Program Supplemental Information Request

Washington Electric Co-op (“WEC”) is responding to the Department of Public Service’s (“DPS”) supplemental filing dated February 8, 2018 in case number 18-0086-INV. The Department put forward several tables comprised of data ranging from cost of solar, pace of installations, price of Renewable Energy Credits (“RECs”), and other information relative to solar installations. Regarding information presented in Table 1, Table 2, Table 5 WEC believes the information is appropriate and accurate and WEC offers no further information. WEC offers comments on Table 3 and Table 4 as noted below.

The DPS also requested feedback on utilization of the Vermont ITC. WEC does not have access to how many of its net metered members used the Vermont ITC. Tax filings are completed privately and under the direct responsibility of the member. Therefore, WEC does not have information relative to the number of members with net metering systems using the ITC.

The Department also requested stakeholder perspectives on the historical pervasiveness of REC selling by net metering participants. WEC does not have specific data for systems installed prior to July 2014 as to member’s activities and efforts to sell RECs. Anecdotally we are aware of larger systems participating in the sale of RECs but these are systems that are greater than 15 kW (examples include 100 kW and greater).

For systems installed from July 2014 through December 2016 these net metered installations came in under WEC’s Grid Service Fee (GSF) pilot program. As part of this program, REC’s were transferred to WEC for all systems installed during that timeframe. WEC aggregated the GSF RECs and sold them in the MA Class 1 market. GSF REC’s generated in 2015 sold at \$48.00 per REC (\$/MWH) and in 2016 the price declined to \$18.25 per REC (\$/MWH). GSF RECs in 2017 have not yet been sold but the market is currently trading at \$7.25 per REC (\$/MWH). WEC offers these price points to refresh the data in Table 4 regarding REC prices which appear high relative to actual trades completed by WEC. It should be noted REC’s trade in MWH increments and therefore expressing the price in \$/MWH is the typical unit of measure in the REC market.

In Table 3 of the DPS filing is unclear relative to the notes provided relative to “Non-Bypassable Bill Charges” (last column in the table). From 1999 to 2014 WEC members could offset **all**

fixed charges on their bill including the efficiency charge and monthly fixed charge and effectively zero out the bill. Beginning in July 2014, under WEC's GSF plan, the member could no longer offset fixed charges and other fixed costs on the bill were non-bypassable for the first time. For WEC, non-bypassable fees began in July 2014 but prior to that all fixed charges were bypassable and members could zero out bills.

We thank you for the opportunity to respond. If you need additional information do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patricia H. Richards".

Patricia H. Richards  
General Manger