

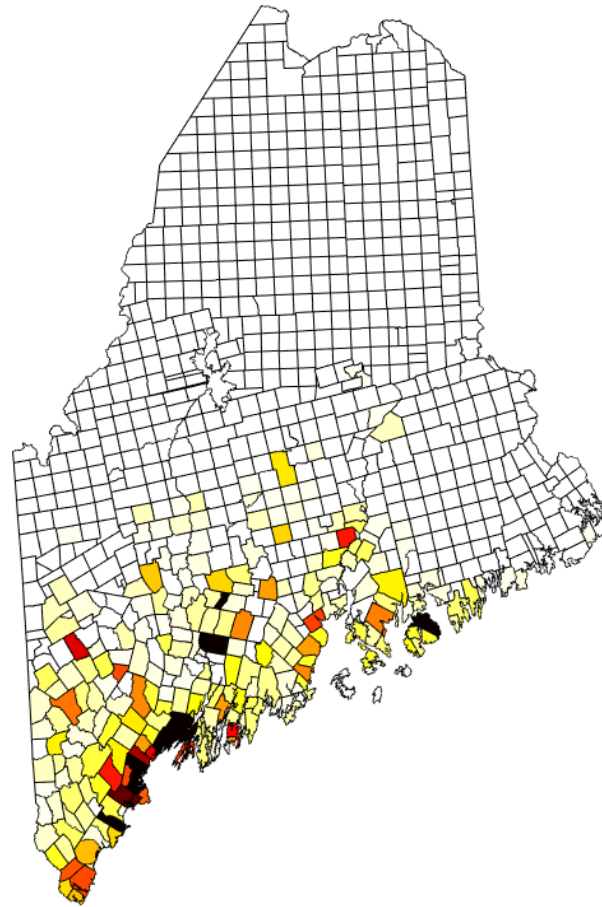
Distributed Generation in Maine

ISO DGFWG

Denis Bergeron MPUC

Overview

- ▶ Maine's Net Energy Billing rule
- ▶ DG incentives in Maine
- ▶ Forecast
 - ▶ Past practice
 - ▶ Recommended Change
- ▶ Recommended Forecast



Net Energy Billing (NEB) Rule - MPUC

Chapter 313

- ▶ Rule requires MPUC review of NEB after MW subject to NEB $\geq 1\%$ of utility peak demand.
- ▶ Commission finalized a modified NEB rule in March 2017
- ▶ MPUC NEB rule
 - ▶ Gradually reduces amount of distribution related component of NEB
 - ▶ Grandfathers existing NEB for 15 years

Incentives

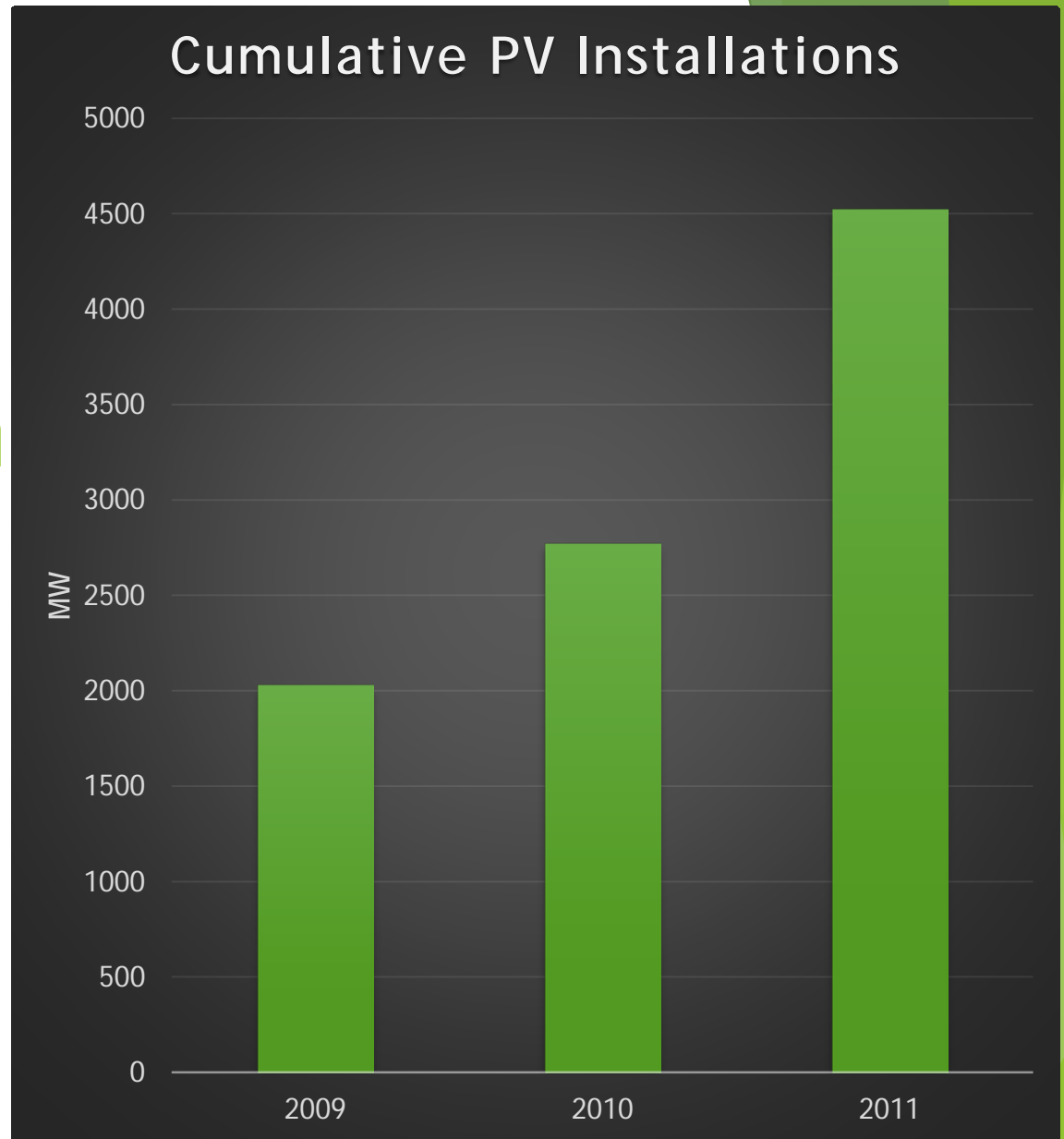
- ▶ Maine's incentive mechanisms for DG are limited to NEB and the Federal Investment Tax Credit (ITC).
- ▶ Maine's NEB rule requires annual reports of net metered installations.
- ▶ Almost all NEB reported is for PV

Forecasts

- ▶ Maine has no statutory MW “targets” .
 - ▶ The ISO makes no judgment regarding state policies, but rather utilizes the state goals as a means of informing the forecast
- ▶ Forecasts have been based on installation trends.
- ▶ Initial projections with three years of data assumed straight line annual incremental growth.
- ▶ Seven years of data now show the pace of installation is accelerating.
 - ▶ The number of installations is increasing annually
 - ▶ The average project size is also increasing annually
 - ▶ NEB Rule changes do not seem to have affected these trends

Growth in Installation

Initial projections with three years of data for Maine rested on straight line annual incremental growth.



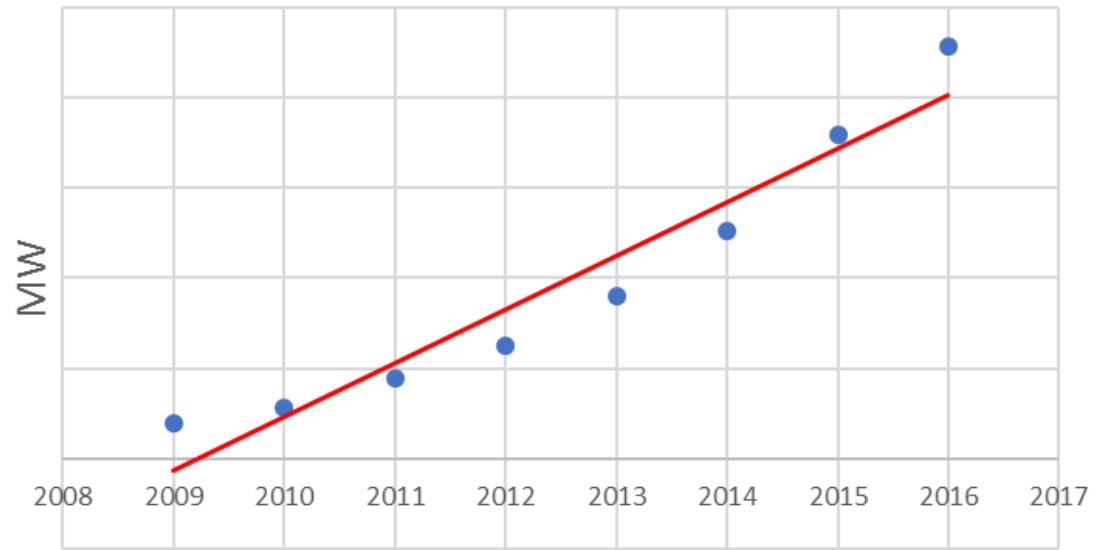
Growth in Installations

Additional years of data reveal growth is accelerating.

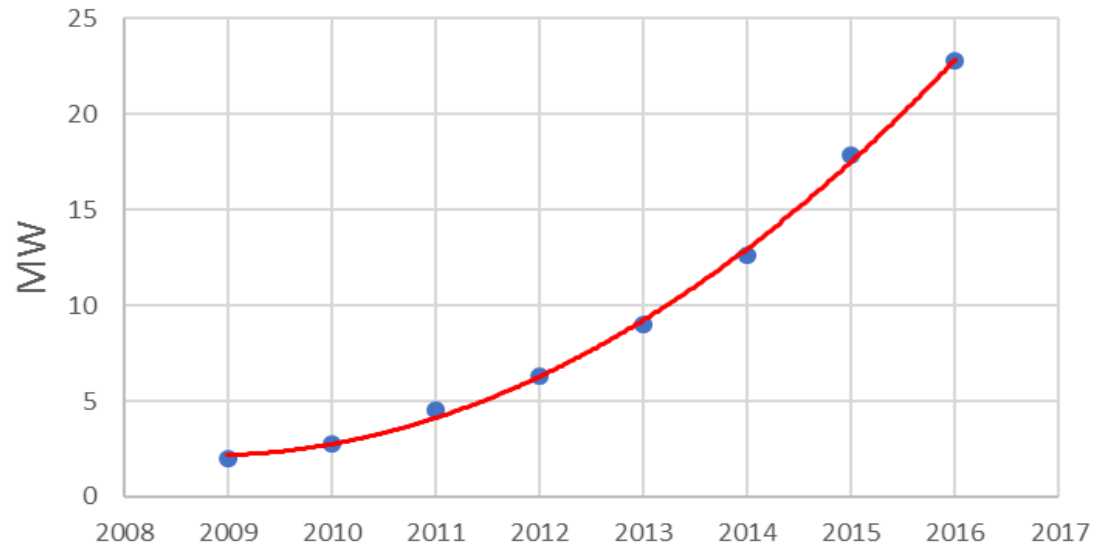
Linear trend line no longer fits data.

Polynomial trend line more accurately tracks data

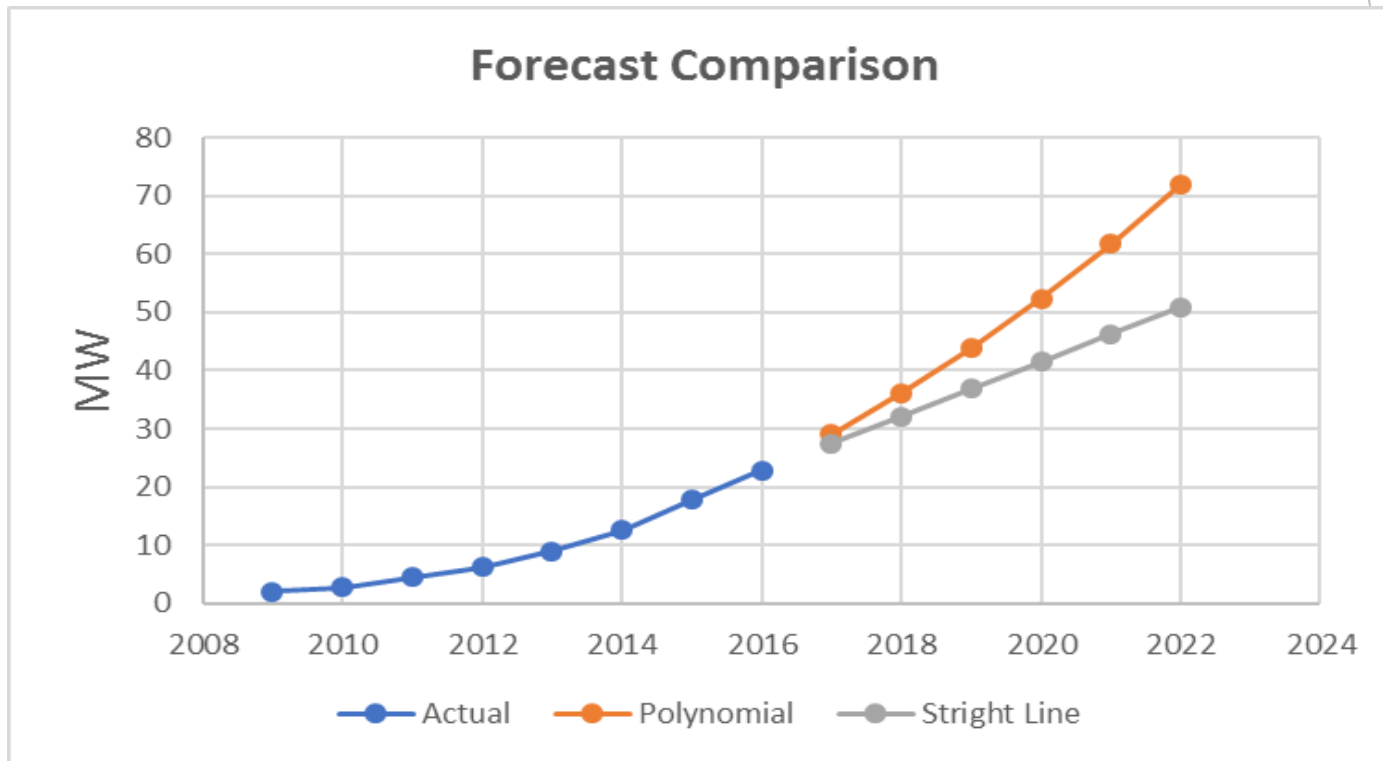
Linear Trend Line



Polynomial Trend Line



Forecast Recommendation



Forecast

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------------------|-------------|-------------|-------------|-------------|-----------|-----------|
| Polynomial | 29.1 | 36.1 | 43.8 | 52.4 | 62 | 72 |
| Straight Line | 27 | 32 | 37 | 42 | 46 | 51 |
| Difference | 1.6 | 4.0 | 7.0 | 10.9 | 15.8 | 21.1 |

Questions?