

SMART Incentive Payment Effective Dates

It is not always practical for the Electric Distribution Companies (EDCs) to backdate the Incentive Payment Effective Date to the Commercial Operation Date. In certain instances, backdating the Incentive Payment Effective Date requires manual processing of payments instead of using the automated billing process. Also, backdating may require the EDCs to re-bill recipients of bill credits, as well as the project's host.

The table below outlines the Incentive Payment Effective Date based on EDC, Project Type, and SMART Capacity Block:

Incentive Payment Effective Date*

	Eversource	National Grid		Unitil
	Blocks 1-16	Blocks 1-8	Blocks 9-16	Blocks 1-16
Standalone				
Net Metering <= 60 kW-AC	1	1	2	1
Net Metering > 60 kW-AC	1	2	2	2
Alternative On-Bill Credit	3	2	2	2
Qualifying Facility <= 60 kW-AC	1	1	2	1
Qualifying Facility > 60 kW-AC	1	2	2	2
Behind-the-Meter				
Net Metering <= 60 kW-AC	1	1	2	1
Net Metering > 60 kW-AC	1	2	2	2
Alternative On-Bill Credit	3	2	2	2
Qualifying Facility <= 60 kW-AC	1	1	2	1
Qualifying Facility > 60 kW-AC	1	2	2	2

1: Commercial Operation Date

2: Next billing cycle after Final SOQ is received

3: Within one complete billing cycle before or after Final SOQ is received. However, if Eversource is able to validate the Applicant's AOBC form prior to completing the setup of the STGU host's billing account, and the Applicant consents, the AOBC and Incentive Payment Effective Date will be backdated to the Commercial Operation Date.

*** For all categories, if a project has pursued and received RECs for any period prior to SMART qualification, the Incentive Payment Effective Date would be adjusted to within one complete billing cycle before or after FSOQ and the NEPOOL asset would need to be transferred to the EDC as of the Incentive Payment Effective Date.**

This policy is supported by the SMART Provision. See Sections 2.7, 2.17, 2.18, 3.0, 4.0, and 6.0 of the EDCs' SMART Tariffs.

2.7 Commercial Operation Date shall mean the date on which the Company grants permission to the STGU to operate in parallel with the Company's electric distribution system.

2.17 Incentive Payment shall mean the payment to a STGU, including an AOBC Generation Unit, for Renewable Energy Portfolio Standard (RPS) class I Renewable Generation Attributes and/or Environmental Attributes produced by these units, calculated pursuant to Section 7.0 below (Calculation of Incentive Payments).

2.18 Incentive Payment Effective Date shall mean the earliest date on or after the Commercial Operation Date on which electrical energy output of a STGU can result in the creation of RPS Class I Renewable Generation Attributes and also be eligible to begin receiving Incentive Payments.

3.0 Availability

Incentive Payments and, as applicable, AOBCs provided under this SMART Provision are available to the Owner or Authorized Agent of a STGU that has received a Statement of Qualification from the DOER, has met all eligibility requirements from 225 CMR 20.00, has a total installed capacity of less than or equal to five megawatts (measured in megawatts (“MW”) AC), and is interconnected to the Company’s electric distribution system.

4.0 Other Tariff Applicability

STGUs that are served on the Company’s Net Metering tariff pursuant to 220 CMR 18.00 or Power Purchase tariff pursuant to 220 CMR 8.00 will receive Incentive Payments pursuant to the SMART Provision. The terms and conditions regarding the calculation and distribution of net metering credits or payments for purchased power are governed by the provisions of the applicable tariff.

6.0 Conditions for Participation

Owners or Authorized Agents of a STGU must demonstrate compliance with the following conditions prior to receiving Incentive Payments and AOBCs, if applicable. Incentive Payments and AOBCs will be applied on a prospective basis only after all of the following conditions have been met.

6.1 The Owner must obtain the Company’s written authority to interconnect and operate in parallel with the Company’s electric distribution system.

6.2 The Owner must provide final approval of a Statement of Qualification from the DOER for systems that have been constructed within the required timeline. This may be provided directly to the Company by the Solar Program Administrator (SPA) with the permission of the Owner.

6.3 During the period of time in which the STGU is receiving Incentive Payments pursuant to Section 7.0, the Company shall have the irrevocable rights and title to the RPS Class I Renewable Generation Attributes and/or Environmental Attributes of all STGUs. In addition, for those units that are also AOBC Generation Units, the Company will also have irrevocable rights and title to the energy and any market products associated with the sale of energy or energy services produced by the AOBC Generation Unit.

National Grid

All projects enrolled in SMART’s Initial Capacity (block 1-8) that have a capacity greater than 60 kW, and all projects enrolled in SMART’s Expanded Capacity (blocks 9-16), that interconnect in National Grid’s service territory will receive an Incentive Effective Date that is the beginning of the next billing cycle date after the project receives its Final Statement of Qualification (SOQ).

Unitil

SMART projects with a capacity greater than 60 kW that interconnect in Unitil’s service territory will receive an Incentive Payment Effective Date that is the beginning of the next billing cycle date after the project receives its Final SOQ.

Eversource

SMART AOBC projects will receive an Incentive Payment Effective Date that is within one complete billing cycle before or after the project receives its Final SOQ; however, if Eversource is able to validate the Applicant's AOBC form prior to completing the setup of the STGU host's billing account, and the Applicant consents, the Incentive Payment Effective Date will be backdated to the Commercial Operation Date. It is important to note that AOBC and net metered accounts will receive their credits on their monthly bill statements and QF accounts will receive their monthly payments in accordance with their respective power purchase agreements. These on-bill credits and payments are separate and distinct from the SMART incentive payments, which will take effect as of the Incentive Payment Effective Date and will be sent separately to recipients (payees) via check or ACH monthly.

Eversource/National Grid/Unitil

Between the Commercial Operation Date and Incentive Payment Effective Date, Eversource, National Grid and Unitil will compensate AOBC projects, and National Grid and Unitil will compensate all projects greater than 60 kW-AC, as non-SMART QFs (i.e., QFs without any SMART-based compensation or incentives), in accordance with the terms and conditions of a Power Purchase Agreement that is to be executed with the appropriate EDC prior to commercial operation. Pursuant to 225 CMR 20.06(4), the RPS Effective Date for an STGU is the earliest date on or after the Commercial Operation Date when electrical energy output can result in the creation of RPS Class I Renewable Generation Attributes.

The EDC will not have title to RPS Class I Renewable Generation Attributes associated with system production between the Commercial Operation Date and the Incentive Payment Effective Date, and will transfer any resulting RPS Class I Renewable Generation Attributes to the STGU Owner and/or Payee. However, if the STGU Owner and/or Payee responds in writing that they do not want the RPS Class I Renewable Generation Attributes, the EDC shall voluntarily settle the RPS Class I Renewable Generation Attributes at NEPOOL GIS.

Upon issuance of a Final SOQ, the project will be compensated as a SMART project starting on the Incentive Payment Effective Date. Additionally, upon issuance of the Final SOQ, the rights and title to the energy and any market products associated with the sale of energy or energy services produced by the project as a SMART project, including all RPS Class I Renewable Generation Attributes, shall be irrevocably transferred to the appropriate EDC as of the Incentive Payment Effective Date.