RESPONSES OF CITIZENS ACTION COALITION OF INDIANA, INDIANA DISTRIBUTED ENERGY ALLIANCE, AND SOLAR UNITED NEIGHBORS OF INDIANA TO IURC QUESTIONS REGARDING NET METERING PROGRAMS

MARCH 29, 2019

(A) Do you have sufficient information regarding availability of net metering under the capacity threshold and reserved capacity

Yes and no. In short, we strongly recommend that the following information be tracked on the Commission's website and/or each utility's website:

- (1) the net metering cap calculation by utility, similar to the table below from I&M's interim net metering report, that would be updated at least once per month; and
- (2) each utility's queue of projects on a real time basis, noting each project's size, the stage the project is in (submission of application, execution of interconnection agreement, connected to the grid), each project's resource type, and each project's customer class.

If yes, what information do you have and how was it provided?

1. First, we want to commend the net metering cap calculation table in Indiana Michigan Power Company's (I&M) interim net metering report that is reproduced below for your convenience. We think this aggregate information is a valuable way to track the net metering cap calculation, but we recommend this be done for each utility and be updated frequently, as close to a real time basis as possible but no less than once per month, to assist customers, developers, and the general public.

| Updated: 11/28/2018 | | Indiana 2016 Cap (MW) | Indiana 2017 Cap (MW) | Indiana 2018 Cap (MW) | Installed (MW) | % of Catecory |
|-----------------------|------|-----------------------|-----------------------|-----------------------|----------------|---------------|
| Summer Peak (SP) | | 2889.0 | 3436.0 | 3629.0 | | |
| Capacity (1.5% of SP) | 1.5% | 43.3 | 51.5 | 54.4 | | |
| Residential 40% | | 17.3 | 20.6 | 21.8 | 1.98 | 9% |
| Bio-mass 15% | | 6.5 | 7.7 | 8.2 | 0.24 | 3% |
| All Other 45% | | 19.5 | 23.2 | 24.5 | 8.47 | 35% |
| | | | Total Installed | through 9/1/18: | 10.7 | |
| | | | | | | |
| | | | Total Installe | d of 1.5% Cap | 20% | |

2. Second, we want to note our concern about whether utilities could be tracking certain information in different ways; thus, we encourage the Commission to make a clear and consistent definition for tracking information across the utilities. Differing metrics for filling the available capacity could be when a project connects to the grid, or when a project has an interconnection application on file, or when the project's interconnection agreement is executed, etc. These different stages of the project's development have differing completion rates—a project that has been connected to the grid is complete, while a project with just an interconnection application on file might not come to fruition for a variety of reasons. Thus, it is critical that we have clear definitions for the metrics that are consistent across the utilities.

If no, what information would you like and how would you prefer it be provided?

- One critical piece of missing information is a way for the public to track the pace of
 installations by utility. We would strongly recommend both a real-time tracker and a
 tracker that is compiled once a month to monitor the pace of installations and the number of
 projects (including the size of projects) that are in each utility's queue. It is critical that
 customers, installers, and the general public have access to the queue and the information
 they need to make good decisions.
 - a. The real-time tracker should report each individual project, keeping all but the size, resource type (e.g., solar, wind), and customer rate class (e.g., residential, commercial) anonymous. The real-time tracker should also show for each project in the queue: (1) when the project's interconnection application is received by the utility, (2) when the project's interconnection agreement is executed, and (3) when the project is officially online or connected to the grid. Knowing the size of each project is critical to monitoring the pace by which each utility will meet their caps—without this information, customers and developers will not have the information they need to know whether they can move forward with business and investment plans. The customer name, developer name, and project name can all be kept anonymous by simply assigning each project a number. We would recommend the Commission consider the near real-time reporting mechanism that tracks the MISO Generator Interconnection Queue and the attached presentation of data in the NIPSCO feed-in-tariff lottery results spreadsheet.
 - b. The monthly updated tracker should mirror the I&M net metering calculation table shown above and show the aggregate capacity availability by utility. Again, it is critical that there is a standard, consistent reporting definition across the investor-owned utilities in terms of the tracking of capacity, i.e., all utilities should be tracking capacity availability the same way, whether it is saying capacity is at 90% in terms of the number of interconnection applications that were filed versus the number of interconnection agreements that were executed versus the number of projects that are officially online

and connected to the grid. This definition should be displayed along with the table.

2. We also request some additional basic information be provided to customers, developers, and the general public on the Commission's and the utilities' websites, including a standard, consistent, and clear statement of or table presenting minimum information about customer generation options. It should clearly show which customers and projects have access to what compensation for their customer generation and for how long certain compensation rates are available. For example, customers should understand their option of the rate and certain contract length availability under the Public Utility Regulatory Policies Act (PURPA), if net metering is not preferred or available. Customers should know that their net metering rate will eventually expire, and the replacement rate will either be a forthcoming distributed generation rate that will be determined before the Commission in a proceeding or the rate available under PURPA.

(B) What type of information regarding net metering availability would be helpful to know when developing a net metering project?

Please see the response above requesting (1) a real-time project queue by utility, (2) a monthly report of the aggregate net capacity availability by utility (see I&M's table above), and (3) standard information about customer generation rights and options. Access to this data is critical.

(C) In your opinion, how frequently should net metering availability information be updated?

Please see the response above requesting (1) a real-time project queue by utility, and (2) a monthly report of the aggregate net capacity availability by utility (see I&M's table above).

(D) What information about net metering projects is appropriate for a utility to provide on its website, realizing that may give competitors access to the information?

Please see the response above requesting (1) a real-time project queue by utility, and (2) a monthly report of the aggregate net capacity availability by utility (see I&M's table above).

Anonymity can be maintained by assigning each project a number or unique label that does not reveal the customer's identity. See the MISO Generator Interconnection Queue and the attached NIPSCO feed-in-tariff lottery results spreadsheet. These reporting examples provide the public with enough transparency to be able to make good consumer decisions, but respect the privacy of the customer. Customers want to be able to track the capacity at a more granular level so that they can actually understand the amount of reserved capacity that is left for each carve out category under Senate Enrolled Act 309 and the amount of capacity that is ahead of a customer's project in the queue since not all projects come to completion.

- (E) Have you experienced any difficulty due to the net metering capacity threshold or reserved capacity limits when interconnecting a net metering project?
 - 1. If no, please describe how the utility handled the situation.
 - 2. If yes, please describe the situation, including the utility's name, who you contacted at the utility, and a description of the project.

There are at least two utilities that are close to or have reached one of the reserved capacity limits. Senate Enrolled Act 309 sets aside certain reserved capacity for (1) residential customers (40%) and (2) biomass projects (15%). Two utilities have reached the implicit reserved capacity for non-residential customers, but these two utilities have handled the situation very differently. Even though NIPSCO reached this limit for the reserved capacity for commercial, non-residential projects, it has nonetheless continued to honor net metering for these customers. We find this to be reasonable especially since it is unlikely that the reserved capacity for residential customers, and the reserved capacity for biomass projects, will actually be used. Even if the other reserved capacity were used, the impact is not likely to be great and affords customers flexibility through July 1, 2022, when the statutory requirement for net metering availability for new projects comes to an end anyway. We appreciate NIPSCO working to find a resolution and feel this honors the intent of the legislation.

Vectren, on the other hand, appears to have decided to continue to take and process applications and has announced its intention to file a proceeding in May to determine its future distributed generation tariff under Senate Enrolled Act 309. We are disappointed that Vectren is not working to find a better solution, especially considering it only has 10 kW of capacity remaining for commercial customers, certain reserved capacities are unlikely to be met, and Vectren should have initiated something sooner and communicated this information more broadly. We are concerned about customer confusion from the ambiguity Vectren created in the marketplace and the lack of notice of other customer options in the meantime. In terms of who we had contact with at Vectren, certain developers in Vectren's service territory received an email on February 28, 2019, from Mr. Mike Dugan, Engineer in the Indiana Planning and Protection division, notifying them of the situation. Laura Arnold with IndianaDG emailed Mr. Dugan and Ms. Vickie McClatchy of Vectren upon learning about the situation on March 27, 2019, and Mr. Bob Heidorn responded to Ms. Arnold later that day and merely reiterated the statements made in Mr. Dugan's initial email.

For the other utilities, any issues that have arisen seem to have been addressed by the utility in good faith. But as each of the electric utilities get closer to the individual reserved capacity thresholds and the overall 1.5% summer peak load net metering cap, we expect more issues to arise without clarity and guidance from the Commission, clear and timely tracking of the capacity availability, and the use of consistent definitions across utilities for reporting. We also expect more issues to arise without a clear indication of how excess reserved capacity can be used for other reserved capacity categories and without a clear indication of the utilities' future distributed generation rates. Finally, we think differing formulas and other matters related to the future distributed generation rates will create confusion between utility service territories and would recommend a generic proceeding to address all the utilities' distributed generation rates contemplated in Senate Enrolled Act 309.

(F) What actions do you suggest the Commission consider regarding the available net metering capacity and reserved capacity limitations, understanding that the Commission can only act within its statutory authority?

We would respectfully request some sort of guidance from the Commission, perhaps in the form of a General Administrative Order, to address certain administrative issues that we feel need to be addressed as soon as possible and that should be uncontroversial. As explained in further detail above, this should at least include: (1) a real-time project queue by utility, (2) a monthly report of the aggregate net capacity availability by utility (see I&M's table above), (3) standard information about customer generation rights and options, and (4) a standard way in which the reserved capacity carve outs can be used for other reserved capacity categories if the utility reasonably anticipates certain reserved capacity carve outs will not be used. At a minimum, we believe the intent of the statute certainly is not to limit the carve outs to an amount that would be under 1.5% of the summer peak load.

We would also respectfully suggest that a generic investigation for all of the five investor-owned electric utilities is the most appropriate way in which to approach the forthcoming and imminent distributed generation tariffs.

| FIT 2 Allocation II - Intermediate Solar Lottery | | | | | | |
|--|------------------|---------------|-----|--|--|--|
| Request Form # | Lottery Queue | City | kW | | | |
| 01-IS | 15 | Goshen | 200 | | | |
| 02-IS | 44 | Middlebury | 200 | | | |
| 03-IS | 53 | Howe | 200 | | | |
| 04-IS | 10 | Howe | 200 | | | |
| 05-IS | 45 | Angola | 200 | | | |
| 06-IS | 37 | Howe | 200 | | | |
| 07-IS | 20 | Oxford | 200 | | | |
| 08-IS | 27 | Oxford | 200 | | | |
| 09-IS | 22 | Oxford | 200 | | | |
| 10-IS | 16 | Oxford | 200 | | | |
| 11-IS | 24 | Oxford | 200 | | | |
| 12-IS | 26 | Oxford | 200 | | | |
| 13-IS | 11 | Oxford | 200 | | | |
| 14-IS | 38 | Oxford | 200 | | | |
| 15-IS | 36 | Oxford | 200 | | | |
| 16-IS | 7 | Oxford | 200 | | | |
| 17-IS | 30 | Michigan City | 200 | | | |
| 18-IS | 33 | Goshen | 42 | | | |
| 19-IS | 35 | Goshen | 200 | | | |
| 20 IS | | | | | | |
| 21-IS | 17 | Goshen | 200 | | | |
| 22-IS | 49 | New Paris | 200 | | | |
| 23-IS | 40 | New Paris | 200 | | | |
| 24-IS | 29 | New Paris | 200 | | | |
| 25-IS | 2 | New Paris | 200 | | | |
| 26-IS | 21 | New Paris | 200 | | | |
| 27-IS | 8 | New Paris | 200 | | | |
| 28-IS | 3 | Wolcottville | 200 | | | |
| 29-IS | 41 | Brook | 200 | | | |
| 30-IS | 34 | Brook | 200 | | | |
| 31-IS | 52 | Brook | 200 | | | |
| 32-IS | 14 | Brook | 200 | | | |
| 33 IS | | | | | | |
| 34-IS | | | | | | |
| 35-IS | 23 | Kentland | 200 | | | |
| 36-IS | 18 | Kentland | 200 | | | |
| 37-IS | 5 | Kentland | 200 | | | |
| 38-IS | 25 | Kentland | 200 | | | |
| 39 IS | | | | | | |

| FIT 2 Allocation II - Intermediate Solar Lottery | | | | | | | |
|--|------------------|-------------|-----|--|--|--|--|
| Request Form # | Lottery Queue | City | kW | | | | |
| 40 IS | | | | | | | |
| 41-IS | 55 | Goshen | 200 | | | | |
| 42-IS | 43 | Goshen | 200 | | | | |
| 43-IS | 46 | Middlebury | 200 | | | | |
| 44-IS | 42 | Angola | 200 | | | | |
| 45-IS | 9 | Goshen | 200 | | | | |
| 46-IS | 32 | Goshen | 200 | | | | |
| 47-IS | 1 | Goshen | 200 | | | | |
| 48-IS | 28 | Goshen | 200 | | | | |
| 49-IS | 47 | Goshen | 200 | | | | |
| 50-IS | 19 | Goshen | 200 | | | | |
| 51-IS | 4 | Millersburg | 200 | | | | |
| 52-IS | 13 | Middlebury | 200 | | | | |
| 53-IS | 6 | Goshen | 200 | | | | |
| 54-IS | 39 | Goshen | 200 | | | | |
| 55-IS | 31 | Goshen | 200 | | | | |
| 56-IS | 54 | Goshen | 200 | | | | |