Date Filed: October 05, 2026

Witness: Edward A. Davis, Kimberly R. Parsons and Andrew C. Belden
Request from: ALLCO

Question:

With respect to the interaction of net metering costs and load-reducer benefits:(a) confirm that the NBFMCC is a non-bypassable charge assessed on all of the Company's distribution customers, including customers served by third-party suppliers; (b) confirm that, accordingly, the net metering and virtual net metering amounts included in the NBFMCC (described in the Company's response to ALLCO-043) are recovered from all distribution customers, while the wholesale energy, capacity, transmission, and reserve savings produced by the same behind-the-meter generation accrue to each host customer's load-serving entity — including third-party suppliers with no obligation to pass them through; (c) identify any analysis the Company has performed of this cost-benefit asymmetry, and produce it; and (d) state whether the Company has ever proposed to the Authority or to ISO-New England any mechanism to credit load-reducer savings against the NBFMCC or otherwise to align the parties who bear net metering costs with the parties who receive the corresponding wholesale savings, identifying each proposal or confirming there has been none.

Response:

(a) Yes. The NBFMCC is a non-bypassable charge assessed on all of the Company's distribution customers, including customers served by third-party suppliers;

(b) No. The amounts included in the NBFMCC are costs incurred to credit net metering and virtual net metering customers for excess generation output and are recovered from all distribution customers. Amounts included in the NBFMCC do not include costs associated with generation that is consumed directly by the customer and lowers their metered electricity consumption. The excess generation output from net metering and virtual net metering facilities reduces load and capacity obligations for all load-serving entities, not each host customer's load-serving entity. Any impact on transmission cost allocation is also reflected in transmission costs recovered from all customers.

(c) There is no cost-benefit asymmetry.

(d) No. Existing cost allocation and recovery mechanisms already align the parties who bear net metering costs with the parties who receive the corresponding wholesale savings.