



HINGHAM MUNICIPAL LIGHTING PLANT

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General Manager

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Dear Solar Customer,

I'd like to take a moment to explain your solar bill, our net metering policy and the rebate credit you will receive for installing a solar array.

Your solar account with Hingham Municipal Lighting Plant (HMLP) has two meters, one is a bi-directional which measures what you receive from us and what you send to us and the other is the solar meter, which produce 3 different reads. Near the top of your bill you will see **METER READINGS**. In that section you will find the readings, in kWh, captured by those meters. We use those numbers to calculate your bill. The information on the first line in that section represents the data captured by the solar meter. This line reads SOL which is short for SOLar. The number on that line denotes how many kWh your solar array produced. The information on the second line comes from the bi-directional meter, which is a regular utility grade electric meter, that measures the electricity that you purchase and use from HMLP. On your bill the information captured by that meter appears on the line that reads DEL which is short for DELivered by HMLP. That figure is the total kWh you received from HMLP. Finally, the third line in that section reads REC which represents the total kWh RECeived by HMLP. This line shows how much excess kWh was produced by your solar array (you did not use) which you sold back to HMLP.

Depending on your rate class there are several sets of charges or credits you will see on your bill. They will be found in the section of your bill that reads ***CURRENT CHARGES***.

- The first line is the Customer Charge. That charge is designed to cover the costs of installing and maintaining your meter and account.
- The second line is what we must charge to cover our capacity, transmission and distribution costs (Cap., Dist. And Trans.).
- Some users of electricity, generally larger ones but some smaller ones with electric heat, are also charged for something called demand and those customers may see a Demand Charge. The demand charge will be a large part of the bill if the customer uses a significant amount of power over a short period of time and a smaller part of the bill if the customer uses power at a more or less constant rate throughout the month.
- The next line, Energy Charge, is designed to cover the costs associated with paying for the electricity we purchase.
- The next line is the Energy Credit. This is where we calculate what HMLP owes you for the excess electricity you generated and did not use. You sell us that excess energy.
- The next line reads PASNY. Depending on the rate class of the customer, residential or commercial, there may be a PASNY (Power Authority of the State of New York) credit on your bill. We are able to pass this credit on to residential customers because we receive power from federally-licensed hydroelectric power projects in New York and our Purchase Power Agreements with them call for said credit to be given to residential customers.
- The next charge is the Power Cost Adjustment (PCA). This charge is designed to help cover the fluctuations in price associated with the fuel/s used to generate the electricity we purchase.
- Finally, if you are a commercial customer you may see a charge to cover the Massachusetts state tax. HMLP simply collects this money and passes it on to the state.

On your bill the number on the line that reads Energy Credit reflects how much “excess” electricity in kWh you sold back to HMLP and what we are going to pay you for said electricity in the form of a credit on your bill. The amount of your per kWh credit is tied to your solar system’s size. The per kWh excess electricity price HMLP will credit customers whose *solar arrays have a design capacity greater than 15 kW (AC) will be the average per kWh cost of all of HMLP’s renewable power supply resources*. The per

kWh excess electricity price HMLP will credit customers whose *solar arrays have a design capacity equal to or less than 15kw (AC) will be the average per kWh cost of all of HMLP's total power supply resources*. Each year HMLP will calculate those costs, the average unit cost of HMLP's renewable power supply resources and HMLP's total power supply resources, and the per kWh credit price for the excess electricity solar customers sell to HMLP will be adjusted accordingly. Currently for ***solar systems whose design capacity is greater than 15kw (AC) the per kWh rate is \$.0660***. For ***solar systems whose design capacity is equal to or less than 15kw (AC) the per kWh rate is \$.09491***.

Since 2010 HMLP has offered a rebate to its customers who install a solar array on their property. That was HMLP's incentive to you for having installed solar panels at your location. Additionally, HMLP has partnered with the Commonwealth of Massachusetts' Department of Energy Resources (DOER) for an additional rebate for as long as DOER funds are available and system meets DOER design criteria. Since we formed this partnership, the total rebate amount has increased to \$1.20/W with \$.60/W coming from the DOER in the form of a check and \$.60/W from HMLP in the form of a check (Effective January 1, 2021). The rebate is capped at 10kw for a total dollar amount of \$12,000.

Please feel free to call us with any questions that might arise.

Very Truly Yours,

Paul G. Heanue General Manager

Hingham Municipal Lighting Plant