

Value Component	Potential Value From Additional Net Metered Solar PV	Key Factors Affecting Magnitude of Value	Illustrative Near-Term Value (\$/kWh)
Energy	Reduce amount of energy that GMP needs to produce or purchase from the ISO-NE power market	Natural gas prices ; regional supply/demand for power; timing of solar PV output . Highest market prices tend to be in winter months (low solar)	4 cents/kWh
Energy Line Losses	Distributed generation on GMP's distribution system can potentially reduce line losses	Small net metered projects located close to load tend to reduce line losses. Large, remote projects tend to increase losses	0.3 cents/kWh
ISO-NE Regional Transmission	Reducing GMP's hourly load on the VELCO transmission system can occasionally reduce GMP's share of Regional Network Service ("RNS") charges	Solar PV output at time of monthly Vermont peak load . Vermont peak load in most months has shifted to evening hours, so additional solar will provide only modest RNS savings	1 cent/kWh
ISO-NE Generation Capacity	Reducing GMP's hourly load can reduce GMP's share of ISO-NE's Forward Capacity Market requirements	Amount of solar PV output during ISO-NE's maximum hourly load (occurs in summer)	3.7 cents/kWh
Other ISO-NE Charges	"Ancillary Services" that are typically allocated to a utility based on its load	Small portion of total market & grid costs	0.1 cents/kWh
Local T&D Infrastructure	Reducing load on GMP's distribution system during peak hours can (in some cases) help to defer/reduce investment in distribution system infrastructure	GMP faces few infrastructure projects driven by demand growth. On many GMP circuits, peak load has shifted to evening. Increasing distributed generation penetration is advancing need for T&D infrastructure in several areas.	None for most locations
Environmental Attributes	If net metering customers assign environmental attributes to GMP, the attributes will be used to meet VT Renewable Energy Standard requirements (primarily Tier 2)	Cost of other potential distributed renewable sources, regional market value of RECs from new renewable projects. Note: if new net metering volume exceeds RES Tier 2 requirement, this value will drop.	3 cents/kWh
TOTAL			12.1 cents/kWh

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