



November 2018

Net Energy Metering Plus is Open

The NEM Plus program is now available and you can find all the details on our website including a downloadable Fact Sheet, FAQ, and the Application Form and Manual. Here's the program in a proverbial nutshell:

1. It's only available to customers with signed NEM agreements.
2. The new equipment is not allowed to export energy to the grid.
3. Panels and/or storage are allowed.
4. NEM Plus and NEM are separate programs, so you can't include changes to the NEM system on the NEM Plus application.

Before applying, make sure to check these things:

1. Verify the customer has a NEM agreement in their name.
2. Make sure the drawings show the location of the interconnection of the NEM and NEM Plus systems.
3. Make sure that there's no changes to the NEM system on the application.

Why it's important to verify the NEM agreement

The NEM program has been around for many years but became popular about ten years ago (hard to believe, right?). Life happens and property ownership changes for all sorts of reasons. Also, there are systems operating today that aren't formally approved for one reason or another, which is unsafe and breaks our tariff rules. It's possible these customers may not realize they're operating without an executed agreement.

The NEM Plus program is available only to customers with a signed NEM agreement, which

is certainly the majority. If a customer can't find or provide a copy of their agreement, we're happy to help track it down. If the agreement doesn't exist or is unapproved (meaning an application was started and not finished), we'll work with you and the customer to bring that system into compliance.

If the agreement is in the name of a previous owner, if the same owner has changed their legal name, or if the property is now owned by a trust, we'll need to update the NEM agreement to reflect the current ownership information.

Once the NEM agreement is current, we can begin processing the NEM Plus application and to paraphrase Martha Stewart, "that's a good thing". ☀



Simplifying change of property ownership

When an interconnection application is approved, we sign an agreement with the "customer-generator" laying out the terms and conditions of our relationship going forward. This agreement is essentially the same document signed by all third-party generators regardless of size. It is

Property ownership, cont'd.

a contract and one that must remain current through the life of the system.

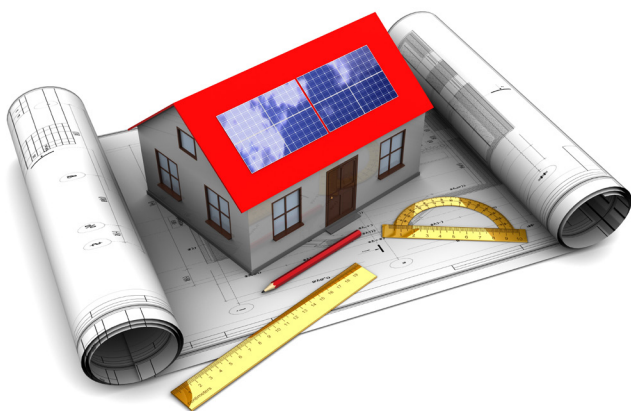
When the property a system sits on is sold, we must update the contract with the name of the new property owner because they also become the new “customer-generator”. We must update any changes to the leasing company if necessary, or if the lease is bought out as part of a property sale.

With the number of DER interconnection agreements now in place combined with the number of property sales, it became apparent that we needed a better way to update agreements. The Hawai'i Public Utilities Commission (PUC) agreed and has approved our new approach.

Going forward, we will now send new property owners a form called the Assumption of DER Program Agreement to sign. This form allows us to assign the rights and responsibilities of the interconnection agreement from the previous owner to the new owner.

If the system is leased, the new homeowner is not required to obtain the signature of the leasing company as part of the process. The customer must include a copy of their lease transfer or buy-out agreement along with a copy of the deed when they return the form to us.

The form is available for download on our website or by giving us a call. We'll be working with realtors and title companies to encourage them to make this part of the closing process. ☀



1kW rule clarified

The informal “1kW rule” for Hawaiian and Maui Electric has been extended to all programs instead of just the NEM program (it’s the 100watt rule for Hawai'i Electric Light). The 1kW rule allows minor adjustments to solar PV systems to accommodate improvements in technology and system configuration.

The Commission clarified that the rule applies to each interconnection application made by a customer and not a single allowance over the lifetime of the facility.

The Commission reaffirmed that the rule “is intended to accommodate reasonable variances” between an interconnection application and an installed system “provided that the customer can demonstrate ‘a reasonable basis for changing PV system design or equipment’ and that the rule “may be disallowed in the face of ‘persuasive evidence’...[that it] will result in a ‘sustained and significant increase in capacity’ or other tangible risk to the HECO Companies’ system.” (Order No 35563). ☀

The aggregator option for CGS Plus

Customers installing a CGS Plus system have the option of choosing to use a third-party aggregator or the utility to provide the controllability feature required by the program. After review, the PUC has opted not to require the Companies to adopt standardized third-party requirements at this time, instead we are to work directly with interested providers to provide this service on a case-by-case basis.

At this time, we have approved one third-party aggregator and welcome the discussion with others should they approach us. The utility option remains available for anyone who is not able to secure a third-party provider.

Please remember that the meter sockets must be accessible 24/7 and with sufficient clearance. Please refer to the Electric Service Installation Manual for guidance and further information. ☀

Advanced inverter planning continues

The PUC recently directed the Companies and stakeholders to work together to develop a policy and workplan to address advanced inverters. Specifically, to determine how to proceed with updating legacy inverters that received interconnection approval before and after January 1, 2016; and future inverter updates that may be required on a going forward basis.

While this process is underway, section 4A of Rule 14H, Appendix I has been modified to remove the language that required facilities that were conditionally approved prior to January 1, 2016 to be made compliant with current standards “upon the alteration or replacement of such Generating Facility’s inverter equipment”.

The discussion process with stakeholders began in early November and we’ll keep you informed of progress and the determination when it receives PUC approval. ☀



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