

ENERGY MISSISSIPPI, LLC

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MISSISSIPPI PUBLIC SERVICE COMMISSION

P.S.C. Schedule No. I-27.20
Revised Schedule No. 27.20 Date: March 16, 2023
Superseded Schedule No. 27.20 Date: December 27, 2018
Schedule Consists of: Five Pages and
Attachment A

NET ENERGY METERING RATE SCHEDULE NEM-2

I. AVAILABILITY

This Net Energy Metering Rate Schedule NEM-2 ("Schedule NEM-2") is available to qualifying Customers of Entergy Mississippi, LLC ("EML" or the "Company") who do not have electric service provided from the Downtown Jackson Network, at their option. This Schedule is available where facilities of adequate capacity and suitable phase and voltage are adjacent to the premises to be served, and Service is taken according to the Service Policy and Character of Service Available of the Company. Where facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises to be served, Company may, at its option, require a contribution, higher minimum bill, facilities charge, or other compensation to make Service available.

This Schedule is available to an eligible Distributed Generation Interconnection Customer ("DGIC") on a first-come, first-served basis who installs an eligible Distributed Generator Facility ("DGF") until such time as the installed level of net metered capacity expressed in kW (direct current) exceeds at any time 3 percent of the Company's total system peak demand expressed in kW recorded during the prior calendar year. When total net metered capacity exceeds this 3 percent limit, any additional customer installing an eligible DGF will only be eligible for service as provided in the Company's Standard Schedule for Purchases from Qualifying Cogeneration and Small Power Production Facilities with Design Capacity of 100 kilowatts or less then-currently in effect or as later superseded by the Commission.

Note: Generally, unless otherwise specified herein, capitalized terms used throughout this document are as defined in the Company's Service Policy or in the Commission's Mississippi Distributed Generation Rule and Mississippi Distributed Generator Interconnection Rule.

II. APPLICABILITY

This Schedule is applicable to any DGIC who takes Service under the Company's standard Rate Schedules and has installed an eligible DGF and signed a Standard Interconnection Agreement for Net Metering Facilities with the Company and

- A. if a residential Customer,
 1. has a DGF with a net nameplate generating capacity of no more than 20 kW_{DC}, and
 2. the DGF is sized to offset no more than 110% of the Customer's prior year annual energy usage at that location.
- B. if a non-residential Customer,
 1. has a DGF with a net nameplate generating capacity of no more than 2 MW_{DC}, and
 2. the DGF is sized to offset no more than 110% of the Customer's prior year peak demand at that location.ⁱ

ⁱ For any customer where the Company does not record peak demand for billing purposes, the DGF cannot be sized to offset more than 110% of the Customer's prior year annual energy usage at that location.

An eligible DGF must be located on the Customer's premises, be owned or leased by the Customer, and must be powered by a qualifying Renewable Energy source.

In cases where one or more Battery Energy Storage Systems ("BESS") are paired with a DGF, the capacity of the BESS will not affect the total nameplate capacity limits of a customer's DGF, as long as the BESS is not capable of being discharged in parallel with (i.e., at the same time as) the DGF.

A Customer may not take Service under this rate schedule and simultaneously take Service under the provisions of any other alternative source generation or co-generation tariff, or participate in Schedule SFS-1.

The provisions of the Customer's standard Rate Schedule are modified only as specified herein.

III. NET MONTHLY BILL

The kilowatt hours are recorded each month by the two channels (Channels 1 and 2) of the Customer's bidirectional, net meter. The Customer will be billed for kilowatt hour usage and demand (if applicable) supplied by Company as recorded on Channel 1 in accordance with the retail rate schedule and riders applicable to that Customer's account. If the kilowatt hours generated by the Customer's DGF exceed the kilowatt hours used by the Customer behind-the-meter during any metering interval, such kilowatt hours delivered to the grid will be recorded on Channel 2.

All kilowatt hours received by Company from the Customer as recorded on Channel 2 shall be assigned a dollar value as excess energy credits. These excess energy credits for the billing cycle shall be calculated as Channel 2 kilowatt hours times the Value of Distributed Generation that is specified in Attachment A to this Schedule. The Avoided Cost of Wholesale Power shall be based on the Company's Schedule QF-21 (or then-current schedule) peak hour rate and will include an average fixed line loss adjustment of ten percent (10%) until changed by order of the Mississippi Public Service Commission ("Commission") approving the Company's annual redeterminations submitted pursuant to this paragraph. On or before November 15 of each year beginning in 2023, the Company shall provide the Commission and the Mississippi Public Utilities Staff ("MPUS") an Attachment A containing a redetermination of the Value of Distributed Generation. The Public Utilities Staff shall review the Company's calculation, and the Commission must approve any changes to Attachment A. In said redeterminations, the Avoided Cost of Wholesale Power shall be determined based upon Company's currently approved Schedule QF-21 (or then-current schedule) avoided energy payment per kWh delivered for the peak hours, plus and a fixed line loss adjustment of ten percent (10%).

Customers to whom this Schedule NEM-2 is applicable pursuant to Section II.A may be eligible for the Low-to-Moderate Income Benefits Adder upon certification that (1) the Customer's total annual combined gross household income does not exceed 225% of the federal poverty level, (2) the electric service account for which the Low-to-Moderate Income Benefits Adder is requested is located at the Customer's primary residence, and (3) the Customer has not and will not request the Low-to-Moderate Income Benefits Adder for any electric service account other than the customer's primary residence. Certification of eligibility shall be subject to audit and verification as deemed necessary by Entergy Mississippi. The Low-to-Moderate Income Benefits Adder shall apply to all residential Customers who meet these qualifications and who are approved to take service under this Schedule, and for such qualifying Customers shall remain in place for 25 years from the date the Customer begins taking net metering service under the Schedule, subject to audit and verification by Entergy Mississippi of the Customer's eligibility.

Customers who own rental property that house exclusively Low Income customers (i.e., total annual combined gross household income does not exceed 150% of the federal poverty level) and apply for the Low-to-Moderate Income Benefits Adder for some or all of the applicable rental units shall provide documentation to the Company showing that it is required by a government sponsored program or otherwise to rent its units solely to Low Income residential customers and shall complete and meet any and all further requirements contained in the Low Income Rental Property Addendum to Entergy Mississippi LLC's Standard Interconnection Application and Agreement for Residential Net Metering Facilities (for systems 20 kW_{DC} or less).

The Customer's monthly bill will be the total of billing for any usage (i.e., as recorded on meter Channel 1) subject to any customer charge and/or minimum bill provisions less any credit due to the customer from excess energy exported to the Company (i.e., as recorded on meter Channel 2). Credit for any excess energy exported to the Company shall not be applied to reduce any fixed monthly customer charges or minimum bill provisions. Any additional excess energy bill credit remaining for a given billing cycle will be carried over to the following billing cycle. For the final Month in which the Customer takes Service from the Company, the Company shall issue a check to the Customer for the balance of any credit due in excess of the amounts owed by the Customer to the Company.

IV. RESIDENTIAL INCENTIVE PROGRAMS

A. Low-To-Moderate Income Energy Independence Incentive Program

A one-time \$3,000 cash incentive ("LMI Incentive") is available to any residential DGIC qualifying as Low-to-Moderate Income who installs an eligible DGF using Renewable Energy. In order to receive the LMI Incentive, the qualifying Low-to-Moderate Income residential customer shall provide to the Company proof of installation of the Renewable Energy DGF in accordance with the Mississippi Distributed Generator Interconnection Rule and, prior to receiving the LMI Incentive, must complete a Company-approved Energy Efficiency audit of the customer's premise. Additionally, the Renewable Energy DGF installed by the customer must have a nameplate capacity of at least 4 kW_{DC} and shall not be designed to generate more than 110% of the customer's prior year annual energy usage at that location.

The LMI Incentive shall be available on a first-come, first-served basis and subject to any annual budgetary restrictions described below for calendar years 2023, 2024, 2025, 2026 and 2027. No LMI Incentive will be available beyond the end of 2027. The Company has discretion to allocate the LMI Incentive budget so that applications and disbursements under this program may be taken and paid throughout the calendar year.

A Customer shall receive the applicable LMI Incentive amount as a check via U.S. Mail (or electronic payment) following the Company's inspection and approval of the installation of the Renewable Energy DGF and verification of eligibility.

In lieu of receiving the LMI Incentive directly, a Customer may assign the LMI Incentive to a solar installer, contractor, or vendor by making such an election in the Customer's Interconnection Application submitted to the Company.

Any solar installer, contractor, or vendor assigned the LMI Incentive under this rate shall provide proof of compliance to Company of the following requirements from the Commission's Mississippi Distributed Generation Rule:

1. File with the Commission a point of contact to whom the Commission may direct customer complaints for resolution;

2. File with the Commission proof of the developer's registration with the Mississippi Secretary of State to do business in Mississippi and list a registered agent for service of process;
3. File with the Commission proof of appropriate and necessary licensures, including but not limited to a Solar and Wind Construction Licensure, offered by the Mississippi State Board of Contractors; and
4. File annually with the Commission, and provide a copy to the Consumer Protection Division of the Office of the Mississippi Attorney General, any marketing material with attestation of its accuracy.

B. Residential Demand Response Battery Incentive Program

A one-time \$2,000 cash incentive ("Battery Incentive") is available to any retail residential customer with an eligible DGIC that has not applied for or received a Low-to-Moderate Income Incentive under this schedule. In order to receive a Battery Incentive, a qualifying residential customer must also enroll in the Company's Battery Demand Response program and certify that any such battery installed as part of this incentive program will fully comply with the Company's Battery Demand Response Program.

The Battery Incentive shall be available on a first-come, first-served basis and subject to any annual budgetary restrictions described below for years 2023, 2024, 2025, 2026 and 2027. No Battery Incentive will be available beyond the end of 2027. The Company has discretion to allocate the Battery Incentive budget so that applications and disbursements under this program may be taken and paid throughout the calendar year.

Any residential battery installed under this schedule shall have a minimum storage capacity of 8 kWh.

C. Incentive Program Budgets

The total annual budget for all incentives to be paid under this rate schedule is equal to \$8 million. The total annual budget for the LMI Incentive is equal to \$6 million. The total annual budget for the Battery Incentive is equal to \$2 million. The annual budget does not roll over to subsequent years and are forfeited if not fully utilized each calendar year. Annual budgets for each incentive program commence in 2023 and shall only be available for calendar years 2023, 2024, 2025, 2026 and 2027.

V. GENERAL PROVISIONS

Metering equipment shall be installed, at the Customer's expense, both to accurately measure the electricity supplied by Company to the Customer and also to accurately measure the electricity generated by the Customer that is fed back to Company during the applicable billing period (i.e., excess energy). If the customer does not have an advanced meter, the charge for the initial single-meter installation will be as follows:

Cost of Meter, Installation and Administrative Fee	\$135.00
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If a customer has an advanced meter already installed on the premises, the Administrative Fee shall be \$95.00.

Any subsequent revenue meter change will be at EML's expense and will not be charged to the individual Customer but shall become part of EML's overall cost of service and subsequent revenue requirement.

The Company may also assess interconnection fees as allowed by Section 3.102 of the Mississippi Distributed Generator Interconnection Rule and as reflected in the applicable Interconnection Application and Agreement approved by the Commission.

Pursuant to the terms of the Interconnection Agreement, a DGIC who takes service under the provisions of this Schedule will automatically receive the Distributed Generation Value for long as it is in place and are thereby agreeing to transfer to the Company all rights to any Renewable Energy Credits ("RECs") attributable to said DGIC's DGF. A DGIC who takes service under the provisions of this Schedule and opts not to receive the Distributed Generation Value may retain the RECs attributable to said DGIC's DGF.ⁱⁱ

ⁱⁱ A DGIC that chooses not to receive the Distributed Generation Value would receive the Total Value of Distributed Generation for their excess energy that includes only the Avoided Cost of Wholesale Power and the Low-to-Moderate Income Benefits Adder, if applicable.

For billing purposes, the Total Value of Distributed Generation to be applied to excess energy credits applicable to a Distributed Generation Interconnection Customer (“DGIC”) for bills rendered on and after February 2024, are:

	DGIC Customers <u>not</u> eligible for Low-to-Moderate Income Benefits Adder	DGIC Customers eligible for Low-to-Moderate Income Benefits Adder
Avoided Cost of Wholesale Power	3.7 cents per kWh	3.7 cents per kWh
Distributed Generation Value	2.5 cents per kWh	2.5 cents per kWh
Low-to-Moderate Income Benefits Adder	N/A	2.0 cents per kWh
Total Value of Distributed Generationⁱⁱⁱ	6.2 cents per kWh	8.2 cents per kWh

ⁱⁱⁱ Note: A DGIC that chooses not to receive credit for the Distributed Generation Value would receive the Total Value of Distributed Generation for their excess energy that includes only the Avoided Cost of Wholesale Power and the Low-to-Moderate Income Benefits Adder, if applicable.
