



THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

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March 8, 2012

VIA REGULAR MAIL AND E-MAIL

Rick Atherton, Chairman
Board of Selectmen
Town and County of Nantucket
16 Broad Street
Nantucket, Massachusetts 02554

RE: Department of Public Utilities proceedings related to net metering

Dear Chairman Atherton:

I received a copy of your February 16, 2012 letter to Governor Patrick regarding the Department of Public Utilities' proceedings, Rulemaking on Net Metering, D.P.U. 11-10 and Inquiry Into Net Metering and Distributed Generation, D.P.U. 11-11, in which you urged immediate action regarding net metering. As discussed further below, I am pleased to report that the Department recently issued an order and finalized its rules in D.P.U. 11-10. The Department also has issued a proposed system of assurance of net metering eligibility (also referred to as a "queue") in D.P.U. 11-11, which the Department is actively working to finalize.

As you know, Chapter 359 of the Acts of 2010, An Act Making Appropriations for the Fiscal Years 2010 and 2011 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects, October 15, 2010 (i.e., a supplemental budget act) requires the Department to adopt rules and regulations implementing certain changes to the net metering provisions of G.L. c. 164, §§ 138 and 139. St. 2010, c. 359, §§ 25-30. In

Letter on D.P.U. 11-10 and D.P.U. 11-11: March 8, 2012

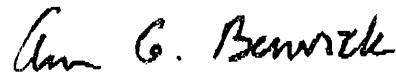
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accordance with that legislation, on July 22, 2011, the Department opened a rulemaking, proposed regulations, and invited public comment. Also, on September 13, 2011, the Department issued its proposed net metering queue and invited public comment.

On February 17, 2012, after consideration of the positions advocated by cities, towns and stakeholder (including the Office of the Attorney General, the Massachusetts electric utilities, the Massachusetts Department of Energy Resources, renewable energy developers, and renewable energy advocates) the Department issued an Order (Rulemaking on Net Metering, D.P.U. 11-10-A (2012)) and final regulations (220 C.M.R. § 18.00 *et seq.*). The same day, the Department opened a new proceeding, D.P.U. 12-01, to develop tariffs that will govern the provision of net metering services by electric utilities. In addition, the Department is considering the positions advocated by many of the same stakeholders, which were submitted in October 2011, as we develop a final design for the net metering queue in D.P.U. 11-11. In short, the Department has already resolved or is actively working towards resolution of the issues mentioned in your letter.

If you have follow-up questions about the net metering proceedings or about net metering generally, please feel free to contact Hearing Officer Laura Bickel. She can be reached at: (617) 305-3588 or laura.bickel@state.ma.us.

Sincerely,



Ann G. Berwick
Chair

cc: Representative Timothy P. Madden
Senator Daniel A. Wolf
George H. Aronson, Commonwealth Resource Management Corporation