

1 Q. Given anticipated changes in the near future, including a marginal cost review, a  
2 cost of service review and interconnection please provide an opinion in relation to  
3 the benefits and disadvantages of implementing a net metering program at this  
4 time which is in accordance with the *Net Metering Policy Framework* and to allow  
5 full consideration of the alternative approaches in relation to compensation for net  
6 excess generation following the completion of the reviews.

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9 A. The proposed Net Metering Program has been designed to meet the policy  
10 objectives provided in the Net Metering Policy Framework (the Framework). The  
11 scheduled cost of service reviews will not provide any additional information to  
12 further contribute to an evaluation of whether a Net Metering Program should be  
13 implemented.

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15 The policy objective in the Provincial Government's *Net Metering Exemption Order*  
16 is "not to encourage the development of renewable energy but, to provide  
17 customers with the option to offset their own energy usage through small-scale  
18 renewable generation they develop themselves." Hydro does not consider the  
19 compensation provided to customer for net excess generation to be a reason to  
20 delay implementation of the Net Metering Program.