

**TO: Nigel Burgess
Senior Manager Electricity Analysis and Planning
Regulatory Authority
1st Floor Craig Appin House
8 Wesley Street, Hamilton, HM11
Bermuda**

nburgess@rab.bm

April 21, 2017

Dear Mr. Burgess,

As a solar PV participant, I am very disappointed by the recent order issued by the Regulatory Authority of Bermuda (RA) on April 17, 2017 and I am writing to voice my support of the proposed new tariff outlined in section I.C of BELCO's letter to the RA, dated September 16th 2016.

This section specifically states:

"Under the new tariff, all non-utility scale solar PV installations, residential or commercial, will be compensated for their excess generation based on an avoided cost methodology. There will be no limit in the size of the installation for inclusion in the rate for residential customers; any installation above a capacity of 0.5 MW by a commercial customer will be deemed an independent power producer outside this rate and subject to individual negotiation.

Residential customers will be paid avoided costs for their power after netting the power used and sold by those customers each month. So, for example, if they used 600 kWh and self-generate 500 kWh in a month, they will pay for the 100 kWh at retail price. Conversely, if they use 500 kWh and self-generate 600 kWh, they will be paid and avoided cost price for the excess power."

The new proposed feed in tariff/net billing scheme outlined by the RA will not only de-incentivize investing in solar, it will negatively impact the return on investment that solar PV participants were expecting when they invested in the this non-polluting, low maintenance form of renewable energy.

I also believe that existing solar net metering customers on the scheme should be honored and grandfathered in. Hundreds of Bermuda homeowners have made significant investment in solar energy systems based on the financial performance provided by the net metering program. It was understood that new rates would not impact solar clients that had installed, or were proven to be engaged in a residential solar PV contract prior to August 15th 2016. BELCO had also proposed to grandfather all of these customers in their September 16th 2016 submission to the RA.

Furthermore, a sensible term should also be implemented, so as to assure those who invest in renewable energy cannot have their initial investment disrupted by changes in the rates or implementation of unanticipated tariffs, as defined by the situation we are currently in. A 20 year plus term agreement, with sensible inflation rates applied, would assist with de-risking the longer term adaptation of solar energy in Bermuda.

It is paramount that the RA considers these elements and implements a sensible tariff and term so as to encourage the installation of more solar PV systems and support those consumers who have made investments in renewable technology and our environment already.

In this day and age, we need more collaboration and less resistance to clean energy adaptation, in order to keep more money in our local economy while reducing our contribution to the drastic effects of climate change.

This is about the sustainability and the future of our country and our people.

Sincerely,

Jay Riihiluoma

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