

ARKANSAS PUBLIC SERVICE COMMISSION



NET METERING RULES

Revised September 2013

NET METERING RULES

ADMINISTRATIVE HISTORY

<u>Docket</u>	<u>Date</u>	<u>Order No.</u>	<u>Subject Matter of Docket/Order</u>
02-046-R	07/26/02	4	Adopted rules relating to the terms and conditions of net metering.
06-105-U	11/27/07	8	Amended definitions; Rules 1.02, 2.01, and 2.04; Section 1 of the Standard Interconnection Agreement, Appendix A; and X.1.1, X.2.3, and X.2.4 of the Net Metering Tariff, Appendix B.
	11/29/07	10	Amended Rule 4.02 to delete reference to Docket No. 86-033-A.
	11/30/07	11	Amended the Standard Interconnection Agreement, Appendix A to add e-mail address lines to the signature block.
	12/19/07	12	Errata order correcting clerical errors in the amendments adopted in Order No. 8.
12-001-R	06/15/12	6	Amended Section 7 of the Standard Interconnection Agreement, Appendix A to exempt state governmental agencies and entities, local governmental entities, and federal entities from the indemnity requirement.
12-060-R	09/03/13	7	Amended Rule 2.04 to provide for meter aggregation, incorporated the provisions of Act 1221 of 2013 concerning the carryover of net-metering credits, and added a definition of net-metering customer to track the definition in Ark. Code Ann. § 23-18-603.
12-060-R	10/11/13	10	Updated the Net Metering Tariff to reflect the amendments adopted in Order No. 7.

NET METERING RULES

TABLE OF CONTENTS

DEFINITIONS D-1

SECTION 1. GENERAL PROVISIONS

1.01. Purpose	1-1
1.02. Statutory Provisions	1-1
1.03. Other Provisions	1-1

SECTION 2. NET METERING REQUIREMENTS

2.01. Electric Utility Requirements	2-1
2.02. Metering Requirements	2-1
2.03. New or Additional Charges	2-1
2.04. Billing for Net Metering	2-2

SECTION 3. INTERCONNECTION OF NET METERING FACILITIES TO EXISTING ELECTRIC POWER SYSTEMS

3.01. Requirements for Initial Interconnection of a Net Metering Facility	3-1
3.02. Requirements for Modifications or Changes to a Net Metering Facility	3-2

SECTION 4. STANDARD INTERCONNECTION AGREEMENT AND STANDARD NET METERING TARIFF FOR NET METERING FACILITIES

4.01. Standard Interconnection Agreement and Standard Net Metering Tariff	4-1
4.02. Filing and Reporting Requirements	4-1

Appendix A A-1 through A-5

Appendix B B-1

DEFINITIONS

Annual billing cycle

The normal annual fiscal accounting period used by the utility.

Billing period

The billing period for net metering will be the same as the billing period under the customer's applicable standard rate schedule.

Biomass facility

A facility that may use one or more organic fuel sources that can either be processed into synthetic fuels or burned directly to produce steam or electricity, provided that the resources are renewable, environmentally sustainable in their production and use, and the process of conversion to electricity results in a net environmental benefit. This includes, but is not limited to, dedicated energy crops and trees, agricultural food and feed crops, agricultural crop wastes and residues, wood wastes and residues, aquatic plants, animal wastes, and other accepted organic, renewable waste materials.

Commission

The Arkansas Public Service Commission.

Electric utility

A public or investor-owned utility, an electric cooperative, municipal utility, or any private power supplier or marketer that is engaged in the business of supplying electric energy to the ultimate customer or any customer class within the state.

Fuel cell facility

A facility that converts the chemical energy of a fuel directly to direct current electricity without intermediate combustion or thermal cycles.

Geothermal facility

An electric generating facility in which the prime mover is a steam turbine. The steam is generated in the earth by heat from the earth's magma.

Hydroelectric facility

An electric generating facility in which the prime mover is a water wheel. The water wheel is driven by falling water.

Micro turbine facility

A facility that uses a small combustion turbine to produce electricity.

Net excess generation

The amount of electricity that a net metering customer has fed back to the electric utility that exceeds the amount of electricity used by that customer during the applicable period.

Net metering

Measuring the difference between electricity supplied by an electric utility and the electricity generated by a net metering customer and fed back to the electric utility over the applicable billing period.

Net-metering customer

An owner of a net-metering facility.

Net metering facility

A facility for the production of electrical energy that:

- (A) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources; and,
- (B) Has a generating capacity of not more than twenty-five (25) kilowatts for residential use or three hundred (300) kilowatts for any other use; and,
- (C) Is located in Arkansas; and,
- (D) Can operate in parallel with an electric utility 's existing transmission and distribution facilities; and,
- (E) Is intended primarily to offset part or all of the net-metering customer requirements for electricity; or,
- (F) Is designated by the Commission as eligible for net metering service pursuant to Ark. Code Ann. 23-18-604(b)(4).

Parallel operation

The operation of on-site generation by a customer while the customer is connected to the utility's distribution system.

Renewable energy credit

The environmental, economic, and social attributes of a unit of electricity, such as a megawatt hour generated from renewable fuels that can be sold or traded separately.

Residential customer

A customer served under a utility's standard rate schedules applicable to residential service.

Solar facility

A facility in which electricity is generated through the collection, transfer and/or storage of the sun's heat or light.

Wind facility

A facility in which an electric generator is powered by a wind-driven turbine.

SECTION 1. GENERAL PROVISIONS

Rule 1.01. Purpose

The purpose of these Rules is to establish rules for net energy metering and interconnection.

Rule 1.02. Statutory Provisions

- A. These Rules are developed pursuant to the Arkansas Renewable Energy Development Act of 2001 (A.C.A. §23-18-603 and §23-18-604 as amended by Act 1024 of 2007).
- B. These Rules are promulgated pursuant to the Commission's authority under Ark. Code Ann. 23-2-301, 23-2-304 (3), and 23-2-305.
- C. Nothing in these Rules shall govern, limit, or restrict the Commission's authority under Ark. Code Ann. 23-18-604.

Rule 1.03. Other Provisions

- A. These Rules apply to all electric utilities, as defined in these Rules, that are jurisdictional to the Commission.
- B. The Net Metering Rules are not intended to, and do not affect or replace any Commission approved general service regulation, policy, procedure, rule, or service application of any utility which addresses items other than those covered in these Rules.
- C. Net metering customers taking service under the provisions of the Net Metering Tariff may not simultaneously take service under the provisions of any other alternative source generation or cogeneration tariffs except as provided herein.

SECTION 2. NET METERING REQUIREMENTS

Rule 2.01. Electric Utility Requirements

An electric utility shall allow net metering facilities to be interconnected using a standard meter capable of registering the flow of electricity in two (2) directions.

Rule 2.02. Metering Requirements

- A. Metering equipment shall be installed to both accurately measure the electricity supplied by the electric utility to each net-metering customer and also to accurately measure the electricity generated by each net-metering customer that is fed back to the electric utility over the applicable billing period. . If nonstandard metering equipment is required, the customer is responsible for the cost differential between the required metering equipment and the utility's standard metering equipment for the customer's current rate schedule.
- B. Accuracy requirements for a meter operating in both forward and reverse registration modes shall be as defined in the Commission's Special Rules - Electric. A test to determine compliance with this accuracy requirement shall be made by the utility either before or at the time the net metering facility is placed in operation in accordance with these Rules.

Rule 2.03. New or Additional Charges

- A. Any new or additional charge that would increase a net metering customer's costs beyond those of other customers in the rate class shall be filed by the electric utility with the Commission for approval. The filing shall be supported by the cost/benefit analysis described in Rule 2.03.B.
- B. Following notice and opportunity for public comment, the Commission may authorize an electric utility to assess a net metering customer a greater fee or charge, of any type, if the electric utility's direct costs of interconnection and administration of net-metering outweigh the distribution system, environmental and public policy benefits of allocating the costs among the electric utility's entire customer base.

Rule 2.04. Billing for Net Metering

- A. On a monthly basis, the net metering customer shall be billed the charges applicable under the currently effective standard rate schedule and any appropriate rider schedules. Under net metering, only the kilowatt hour (kWh) units of a customer's bill are affected.
- B. If the kWhs supplied by the electric utility exceeds the kWhs generated by the net metering facility and fed back to the electric utility during the billing period, the net metering customer shall be billed for the net kWhs supplied by the electric utility in accordance with the rates and charges under the customer's standard rate schedule.
- C. If the kWhs generated by the net metering facility and fed back to the electric utility exceed the kWhs supplied by the electric utility to the net metering customer during the applicable billing period, the utility shall credit the net-metering customer with any accumulated net excess generation in the next applicable billing period.
 - (1) Net excess generation shall first be credited to the net-metering customer's meter to which the net-metering facility is physically attached (designated meter).
 - (2) After application of subdivision (C)(1) and upon request of the net-metering customer pursuant to subsection (D), any remaining net excess generation shall be credited to one or more of the net-metering customer's meters (additional meters) in the rank order provided by the customer.
 - (3) Net excess generation shall be credited as described in subdivisions (C)(1) and (C)(2) during subsequent billing periods; net excess generation credit remaining in a net-metering customer's account at the close of an annual billing cycle, up to an amount equal to four (4) months' average usage during the annual billing cycle that is closing, shall be credited to the net-metering customer's account for use during the next annual billing cycle.
 - (4) Except as provided in subsection (C)(3) of this section, any net excess generation credit remaining in a net-metering customer's account at the close of an annual billing cycle shall expire.
- D. Upon request from a net-metering customer an electric utility must apply net excess generation to the net-metering customer's additional meters provided that:
 - (1) The net-metering customer must give at least 30 days' notice to the utility.
 - (2) The additional meter(s) must be identified at the time of the request and must be in the net-metering customer's name, in the same utility service territory, and be used to measure only electricity used for the net-metering customer's requirements.

(3) In the event that more than one of the net-metering customer's meters is identified, the net-metering customer must designate the rank order for the additional meters to which excess kWhs are to be applied. The net-metering customer cannot designate the rank order more than once during the annual billing cycle.

(4) The net-metering customer's identified additional meters do not have to be used for the same class of service.

E. Any renewable energy credit created as a result of electricity supplied by a net-metering customer is the property of the net-metering customer that generated the renewable credit.

SECTION 3. INTERCONNECTION OF NET METERING FACILITIES TO EXISTING ELECTRIC POWER SYSTEMS

Rule 3.01. Requirements for Initial Interconnection of a Net Metering Facility

- A.** A net metering customer shall execute a Standard Interconnection Agreement for Net Metering Facilities (Appendix A) prior to interconnection with the utility's facilities.
- B.** A net metering facility shall be capable of operating in parallel and safely commencing the delivery of power into the utility system at a single point of interconnection. To prevent a net metering customer from back-feeding a de-energized line, a net metering facility shall have a visibly open, lockable, manual disconnect switch which is accessible by the electric utility and clearly labeled. This requirement for a manual disconnect switch shall be waived if the following three conditions are met: 1) The inverter equipment must be designed to shut down or disconnect and cannot be manually overridden by the customer upon loss of utility service; 2) The inverter must be warranted by the manufacturer to shut down or disconnect upon loss of utility service; and 3) The inverter must be properly installed and operated, and inspected and/or tested by utility personnel.
- C.** The customer shall submit a Standard Interconnection Agreement to the electric utility at least thirty (30) days prior to the date the customer intends to interconnect the net metering facilities to the utility's facilities. Part I, Standard Information, Sections 1 through 4 of the Standard Interconnection Agreement must be completed for the notification to be valid. The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement. The electric utility shall provide a copy of the Standard Interconnection Agreement to the customer upon request.
- D.** Following notification by the customer as specified in Rule 3.01.C, the utility shall review the plans of the facility and provide the results of its review to the customer within 30 calendar days. Any items that would prevent parallel operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.
- E.** The net metering facility, at the net metering customer's expense, shall meet safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).
- F.** The net metering facility, at the net metering customer's expense, shall meet all safety and performance standards adopted by the utility and filed with and approved by the Commission

pursuant to these Rules that are necessary to assure safe and reliable operation of the net metering facility to the utility's system.

- G. If the utility's existing facilities are not adequate to interconnect with the net metering facility, any changes will be performed in accordance with the Utility's Extension of Facilities Tariff.

Rule 3.02. Requirements for Modifications or Changes to a Net Metering Facility

Modifications or changes made to a net metering facility shall be evaluated by the electric utility prior to being made. The net metering customer shall provide detailed information describing the modifications or changes to the electric utility in writing prior to making the modifications to the net metering facility. The utility shall review the proposed changes to the facility and provide the results of its evaluation to the customer within thirty (30) days of receipt of the customer's proposal. Any items that would prevent parallel operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

**SECTION 4. STANDARD INTERCONNECTION AGREEMENT AND STANDARD
NET METERING TARIFF FOR NET METERING FACILITIES**

Rule 4.01. Standard Interconnection Agreement and Standard Net Metering Tariff

Each electric utility shall file, for approval by the Commission, a Standard Interconnection Agreement for Net Metering Facilities (Appendix A), and a Net Metering Tariff in standard tariff format (Appendix B).

Rule 4.02. Filing and Reporting Requirements

Each electric utility shall file in Docket No. 06-105-U by March 15 of each year, a report listing all existing net metering facilities and the generator rating and, where applicable, the inverter power rating of each net metering facility as of the end of the previous calendar year.

STANDARD INTERCONNECTION AGREEMENT FOR NET METERING FACILITIES

I. STANDARD INFORMATION

Section 1. Customer Information

Name: _____
Mailing Address: _____
City: State: _____ Zip Code: _____
Facility Location (if different from above): _____
Daytime Phone: _____ Evening Phone: _____
Utility Customer Account (from electric bill): _____

Section 2. Generation Facility Information

System Type: Solar Wind Hydro Geothermal Biomass Fuel Cell Micro turbine
Generator Rating (kW): _____ AC or DC (circle one)
Describe Location of Accessible and Lockable Disconnect: _____
Inverter Manufacturer: _____ Inverter Model: _____
Inverter Location: _____ Inverter Power Rating: _____

Section 3. Installation Information

Attach a detailed electrical diagram of the net metering facility.
Installed by: _____ Qualifications/Credentials: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Installation Date: _____

Section 4. Certification

1. The system has been installed in compliance with the local Building/Electrical Code of _____.
(City/County)
Signed (Inspector): _____ Date: _____
(In lieu of signature of inspector, a copy of the final inspection certificate may be attached.)
2. The system has been installed to my satisfaction and I have been given system warranty information and an operation manual, and have been instructed in the operation of the system.
Signed (Owner): _____ Date: _____

Section 5. E-mail Addresses for parties

1. Customer's e-mail address: _____
2. Utility's e-mail address: _____ (To be provided by utility.)

Section 6. Utility Verification and Approval

1. Facility Interconnection Approved: _____ Date: _____
Metering Facility Verification by: _____ Verification Date: _____

II. INTERCONNECTION AGREEMENT TERMS AND CONDITIONS

This Interconnection Agreement for Net Metering Facilities ("Agreement") is made and entered into this _____ day of _____, 20____, by _____ ("Utility") and _____ ("Customer"), a _____ (specify whether corporation or other), each hereinafter sometimes referred to individually as "Party" or collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

Section 1. The Net Metering Facility

The Net Metering Facility meets the requirements of Ark. Code Ann. § 23-18-603(6) and the Arkansas Public Service Commission's Net Metering Rules.

Section 2. Governing Provisions

The parties shall be subject to the provisions of Ark. Code Ann. § 23-18-604 and the terms and conditions set forth in this Agreement, the Net Metering Rules, and the Utility's applicable tariffs.

Section 3. Interruption or Reduction of Deliveries

The Utility shall not be obligated to accept and may require Customer to interrupt or reduce deliveries when necessary in order to construct, install, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or if it reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices. Whenever possible, the Utility shall give the Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required. Notwithstanding any other provision of this Agreement, if at any time the Utility reasonably determines that either the facility may endanger the Utility's personnel or other persons or property, or the continued operation of the Customer's facility may endanger the integrity or safety of the Utility's electric system, the Utility shall have the right to disconnect and lock out the Customer's facility from the Utility's electric system. The Customer's facility shall remain disconnected until such time as the Utility is reasonably satisfied that the conditions referenced in this Section have been corrected.

Section 4. Interconnection

Customer shall deliver the as-available energy to the Utility at the Utility's meter.

Utility shall furnish and install a standard kilowatt hour meter. Customer shall provide and install a meter socket for the Utility's meter and any related interconnection equipment per the Utility's technical requirements, including safety and performance standards.

The customer shall submit a Standard Interconnection Agreement to the electric utility at least thirty (30) days prior to the date the customer intends to interconnect the net metering facilities to the utility's facilities. Part I, Standard Information, Sections 1 through 4 of the Standard Interconnection Agreement must be completed for the notification to be valid. The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement. The electric utility shall provide a copy of the Standard Interconnection Agreement to the customer upon request.

Following notification by the customer as specified in Rule 3.01.C, the utility shall review the plans of the facility and provide the results of its review to the customer within 30 calendar days. Any items that would prevent parallel operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

To prevent a net metering customer from back-feeding a de-energized line, the customer shall install a manual disconnect switch with lockout capability that is accessible to utility personnel at all hours. This requirement for a manual disconnect switch will be waived if the following three conditions are met: 1) The inverter equipment must be designed to shut down or disconnect and cannot be manually overridden by the customer upon loss of utility service; 2) The inverter must be warranted by the manufacturer to shut down or disconnect upon loss of utility service; and 3) The inverter must be properly installed and operated, and inspected and/or tested by utility personnel.

Customer, at his own expense, shall meet all safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).

Customer, at his own expense, shall meet all safety and performance standards adopted by the utility and filed with and approved by the Commission pursuant to Rule 3.01.F that are necessary to assure safe and reliable operation of the net metering facility to the utility's system.

Customer shall not commence parallel operation of the net metering facility until the net metering facility has been inspected and approved by the Utility. Such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Utility's approval to operate the Customer's net metering facility in parallel with the Utility's electrical system should not be construed as an endorsement, confirmation, warranty, guarantee, or representation concerning the safety, operating characteristics, durability, or reliability of the Customer's net metering facility.

Modifications or changes made to a net metering facility shall be evaluated by the Utility prior to being made. The Customer shall provide detailed information describing the modifications or changes to the Utility in writing prior to making the modifications to the net metering facility. The Utility shall review the proposed changes to the facility and provide the results of its evaluation to the Customer within thirty (30) calendar days of receipt of the Customer's proposal. Any items that would prevent parallel operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

Section 5. Maintenance and Permits

The customer shall obtain any governmental authorizations and permits required for the construction and operation of the net metering facility and interconnection facilities. The Customer shall maintain the net metering facility and interconnection facilities in a safe and reliable manner and in conformance with all applicable laws and regulations.

Section 6. Access to Premises

The Utility may enter the Customer's premises to inspect the Customer's protective devices and read or test the meter. The Utility may disconnect the interconnection facilities without notice if the Utility reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, or the Utility's facilities, or property of others from damage or interference caused by the Customer's facilities, or lack of properly operating protective devices.

Section 7. Indemnity and Liability

The following is applicable to Agreements between the Utility and to all Customers except the State of Arkansas and any entities thereof, local governments and federal agencies:

Each party shall indemnify the other party, its directors, officers, agents, and employees against all loss, damages, expense and liability to third persons for injury to or death of persons or injury to property caused by the indemnifying party's engineering, design, construction, ownership, maintenance or operations of, or the making of replacements, additions or betterment to, or by failure of, any of such party's works or facilities used in connection with this Agreement by reason of omission or negligence, whether active or passive. The indemnifying party shall, on the other party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying party shall pay all costs that may be incurred by the other party in enforcing this indemnity. It is the intent of the parties hereto that, where negligence is determined to be contributory, principles of comparative negligence will be followed and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence. Nothing in this paragraph shall be applicable to the parties in any agreement entered into with the State of Arkansas or any entities thereof, or with local governmental entities or federal agencies. Furthermore, nothing in this Agreement shall be construed to waive the sovereign immunity of the State of Arkansas or any entities thereof. The Arkansas State Claims Commission has exclusive jurisdiction over claims against the state.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to or any liability to any person not a party to this Agreement. Neither the Utility, its officers, agents, or employees shall be liable for any claims, demands, costs, losses, causes of action, or any other liability of any nature or kind, arising out of the engineering, design, construction, ownership, maintenance or operation of, or the making of replacements, additions or betterment to, or by failure of, the Customer's facilities by the Customer or any other person or entity.

Section 8. Notices

All written notices shall be directed as follows:

Attention:
[Utility Agent or Representative]

[Utility Name and Address]

Attention:
[Customer]
Name: _____
Address: _____

City: _____

Customer notices to Utility shall refer to the Customer's electric service account number set forth in Section 1 of this Agreement.

Section 10. Term of Agreement

The term of this Agreement shall be the same as the term of the otherwise applicable standard rate schedule. This Agreement shall remain in effect until modified or terminated in accordance with its terms or applicable regulations or laws.

Section 11. Assignment

This Agreement and all provisions hereof shall inure to and be binding upon the respective parties hereto, their personal representatives, heirs, successors, and assigns. The Customer shall not assign this Agreement or any part hereof without the prior written consent of the Utility, and such unauthorized assignment may result in termination of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Dated this _____ day of _____, 20__.

Customer:

Utility:

By: _____

By: _____

Title: _____

Title: _____

Mailing Address:

Mailing Address:

E-mail Address:

E-mail Address:

ARKANSAS PUBLIC SERVICE COMMISSION

Original	Sheet No.	
Replacing:	Sheet No.	
Name of Company		
Kind of Service: <u>Electric</u>	Class of Service: All	
Part III. Rate Schedule No. <u>X</u>		
Title: NET METERING		PSC File Mark Only

X. NET METERING**X.1. AVAILABILITY**

X.1.1. To any residential or any other customer who takes service under standard rate schedule(s) _____ (list schedules) who has installed a net metering facility and signed a Standard Interconnection Agreement for Net Metering Facilities with the Utility. Such facilities must be located on the customer's premise and intended primarily to offset some or all of the customer's energy usage.

The provisions of the customer's standard rate schedule are modified as specified herein.

X.1.2. Net-metering customers taking service under the provisions of this tariff may not simultaneously take service under the provisions of any other alternative source generation or co-generation tariff except as provided in the Net Metering Rules.

X.2. MONTHLY BILLING

X.2.1. On a monthly basis, the net-metering customer shall be billed the charges applicable under the currently effective standard rate schedule and any appropriate rider schedules. Under net metering, only the kilowatt hour (kWh) units of a customer's bill are affected.

X.2.2. If the kWhs supplied by the electric utility exceeds the kWhs generated by the net-metering facility and fed back to the electric utility during the billing period, the net-metering customer shall be billed for the net billable kWhs supplied by the electric utility in accordance with the rates and charges under the customer's standard rate schedule.

X.2.3. If the kWhs generated by the net-metering facility and fed back to the electric utility during the billing period exceed the kWhs supplied by the electric utility to the net-metering customer during the applicable billing period, the utility shall credit the net-metering customer with any accumulated net excess generation in the next applicable billing period.

X.2.4. Net excess generation shall first be credited to the net-metering customer's meter to which the net-metering facility is physically attached (designated meter).

- X.2.5. After application of X.2.4 and upon request of the net-metering customer pursuant to X.2.8, any remaining net excess generation shall be credited to one or more of the net-metering customer's meters (additional meters) in the rank order provided by the customer.
- X.2.6. Net excess generation shall be credited as described in X.2.4 and X.2.5 during subsequent billing periods; net excess generation credit remaining in a net-metering customer's account at the close of an annual billing cycle, up to an amount equal to four (4) months' average usage during the annual billing cycle that is closing, shall be credited to the net-metering customer's account for use during the next annual billing cycle.
- X.2.7. Except as provided in X.2.6, any net excess generation credit remaining in a net-metering customer's account at the close of an annual billing cycle shall expire.
- X.2.8. Upon request from a net-metering customer an electric utility must apply net excess generation to the net-metering customer's additional meters provided that:
- (a) The net-metering customer must give at least 30 days' notice to the utility.
 - (b) The additional meter(s) must be identified at the time of the request and must be in the net-metering customer's name, in the same utility service territory, and be used to measure only electricity used for the net-metering customer's requirements.
 - (c) In the event that more than one of the net-metering customer's meters is identified, the net-metering customer must designate the rank order for the additional meters to which excess kWhs are to be applied. The net-metering customer cannot designate the rank order more than once during the annual billing cycle.
 - (d) The net-metering customer's identified additional meters do not have to be used for the same class of service.
- X.2.9. Any renewable energy credit created as the result of electricity supplied by a net-metering customer is the property of the net-metering customer that generated the renewable credit.

THIS SPACE FOR PSC USE ONLY