SCHEDULE NM
NET METERING

APPLICABILITY

This schedule provides rates, terms and conditions for the provision of energy service by the District. It is applicable to eligible customer-generators i.e. residential, small/large commercial, industrial, municipal, agricultural and time-of-use (TOU) customers eligible for service where a part or all of the electrical requirements of the customer can be supplied from a solar, wind, or a hybrid system of both, biogas, or fuel cell power production source with a capacity of less than 1 megawatt (MW) owned and operated by the customer, and where such source is connected for parallel operation with the service of the District, and where such source is located on the customer’s owned, leased, or rented premises and is intended primarily to offset part or all of the customer’s electrical requirements.

Application for this schedule is on a first-come-first-served basis. The District will accept applications until such time as the energy sources interconnected to the District under this schedule comprise a maximum of five percent (5%) of the District’s aggregate annual customer peak demand.

Requests for establishment of a net energy metering contract and net surplus electricity compensation will be processed in a time period not exceeding 30 working days from the date the District receives a completed application for net energy metering service or net surplus electricity compensation, including a signed interconnection agreement from an eligible customer-generator and the electric inspection clearance from the governmental authority having jurisdiction.

MONTHLY RATE

As determined in each billing period, the monthly charges for energy service supplied to an eligible customer-generator shall be the sum of A, B, C, D, E, and F.

A. Customer Charge-
   As applicable to customer rate schedule

B. Monthly Minimum Charge-
   As applicable to customer rate schedule

C. Demand Charge-
   As applicable to customer rate schedule
D. Energy Charge-
As applicable to customer rate schedule

E. Power Factor Adjustment-
As applicable to customer rate schedule

F. Energy Cost Adjustment-
The amount computed in accordance with the Schedule ECA and ECA-R.

SPECIAL CONDITIONS

A. Net Energy Metering: Net Energy Metering measures the difference between the electricity supplied through the electric grid and the electricity generated by an eligible customer-generator and fed back to the electric grid over a 12-month period from the beginning of the net metering contract and every 12-month period thereafter while the customer-generator participates in the net metering program.

Customer-generators shall not be assessed standby charges on the electrical generating capacity or the kilowatt-hour (kWh) production from an eligible solar, wind, or a hybrid system of both, biogas, and fuel cell power production source.

The existing electrical meter for the eligible customer-generator shall be able to measure the flow of electricity in two directions. If the customer-generator refuses consent for a single bi-directional meter to be installed to be used only to provide the information necessary to accurately bill or credit, the District shall have the right to refuse interconnection.

B. Net Surplus Customer-Generator: An eligible customer-generator that generates more electricity during a 12-month period than is supplied by the electric utility to the eligible customer-generator during the same 12-month period. Net surplus electricity is electricity generated by an eligible customer-generator measured in kWh during a 12-month period that exceeds the amount of electricity consumed by that eligible customer-generator.

C. Billing During 12-Month Period

1. For all eligible residential, small commercial and municipal (20 kW or less of billing demand), customer-generators and for each billing period, the net balance of moneys owed to the District for net consumption of electricity or credits owed to the eligible customer-generator for net generation of electricity shall be carried forward as a monetary value until the end of each 12-month period. If it is determined at the end of the 12-month period that the eligible residential, small commercial or municipal customer-generator is a net electricity consumer, the District shall be owed compensation for the eligible customer-generator's consumption.
Customers may elect to pay the estimated outstanding balance each month or at the end of the 12-month period. The remaining non-energy-consumption charges shall be paid in accordance with the District’s normal billing cycle.

2. For all eligible large commercial, industrial, agricultural, municipal (20 kW or more of billing demand) and TOU customer-generators, the net balance of moneys owed to the District must be paid according to the normal billing cycle during the 12-month period. Any excess kWh generated by the customer-generator shall be carried over to the following billing cycle as a monetary value, and remain as a credit on the customer-generator’s account until the end of the 12-month period.

3. As determined in each monthly billing period, when the eligible customer-generator receiving service under this schedule is a net producer of energy, the excess kWh generated will be valued at the full retail rate under the customer-generator’s applicable rate. For all eligible customer-generators taking service under TOU rates, net generation by the eligible customer-generator will be determined by discrete TOU period and net kWh production be valued at the retail price for the discrete TOU period and carried forward as a monetary value until the end of each 12-month period.

4. When the customer-generator has net surplus electricity at the end of the 12-month period, the District will provide net surplus electricity compensation as described in Section D.

5. If an eligible net surplus customer-generator does not affirmatively elect to receive compensation for net surplus generation, the District shall retain any excess kWh generated during the prior 12-month period and compensation shall not be owed to the customer-generator.

6. Any renewable energy credit for net surplus electricity purchased by the District belongs to the District. The net surplus electricity will count toward the District’s renewable portfolio standard purchasing requirements.

D. Value of Net Annual Production: Upon customer election, at the end of the 12-month period, eligible customer-generators who are net producers of electricity will receive compensation for the excess kWh generated. Compensation for the net electricity production shall be based on the average avoided cost of generation and purchased power. As determined by the District on an annual basis, the compensation rate shall be adjusted as necessary, by the discretion of the Board of Directors.

The rate for the excess kWh generated at the end of the 12 month period shall be 5.72¢ per kWh.

E. To every eligible customer-generator, the District shall provide on each regular bill:

Board Action  Page 3 of 4
November 18, 2014  Date Effective
                           January 1, 2015
• Net kWh electricity consumption/ net surplus kWh electricity generation for the billing period
• Net kWh electricity consumption/ net surplus kWh electricity generation since the last 12-month period
• Monetary balance owed to the District for net kWh electricity consumption or monetary balance owed to the eligible customer-generator for net kWh electricity generation since the last 12-month period, pursuant to the customer’s rate schedule
• For a TOU customer-generator, any excess kWh generated during the billing period shall be valued at the same price per kWh as the District would charge for electricity during the same period in which the excess energy was generated

If the eligible customer-generator service terminates, the District will reconcile the customer-generator’s consumption and production of electricity during any part of the 12-month period following the last reconciliation.