

POLICY NO. 510

SUBJECT: NET METERING

I. PURPOSE

To set forth a policy for the interconnection and net metering of renewable energy generation that is consistent with Nebraska Revised Statutes 70-2001 through 70-2005. Net metering is available to eligible customers whose electric service is supplied by Perennial Public Power District (the District).

II. POLICY

The District recognizes its obligation to provide an interconnection to qualifying facilities that are eligible for net metering and will comply with all applicable laws and rules governing net metering and distributed generation.

III. DEFINITIONS

Avoided cost: The incremental costs to the District of electric supply which, but for the purchase from the qualifying facility, the District would purchase from another source. The avoided cost shall be as is shown in the District's AC-1 rate schedule for small renewable generation.

Customer-generator: The party that is in control of the qualified facility that is located on premises owned, leased, or otherwise controlled by the party.

Interconnection Application: Form to be used by the customer generator to submit its formal request for interconnection to the distribution system. Application must be received at least 60 days prior to interconnection.

Interconnection Agreement: The written agreement between the customer-generator and the District that outlines the requirements and obligations of both the customer-generator and the District.

Net metering: The measured difference between the electricity supplied to a customer-generator by the District and the electricity generated by the customer-generator and delivered to the District at the same point of interconnection.

Rated generating capacity: The maximum continuous kW generation capacity at the generation source as described by the manufacturer. If a maximum continuous kW generation capacity is not provided, a peak value will be used.

Qualified Facility: Is as defined in Nebraska Statute §70-2002 (7).

IV. ELIGIBILITY

- A. The customer-generator must be a customer in good standing with the District.
- B. The customer-generator must complete, sign and return to the District an Interconnection Application no less than 60 days prior to interconnection with the distribution system operated by the District and shall meet with an individual designated by the District for the purpose of discussing the proposed generator characteristics and allowing the District's input in sizing the load for the proposed customer-generator.
- C. The customer-generator shall enter into a written interconnection agreement with the District.
- D. The customer-generator shall pay the District for all costs incurred by the District for equipment or services required for interconnection of the qualified facility unless otherwise provided for in statute.
- E. The qualified facility must meet the requirements of Nebraska's net metering law §70-2002 (7):
 - 1. Has a total aggregate rated generating capacity, from single or multiple generators of twenty-five kilowatts (25kW) or less and shall operate at a measured capacity of less than at or below 25 kW at all times at one location behind a single meter.
 - a. Qualified generation above 25 kW may be considered on a case by case basis by the District's Board of Directors.
 - 2. Uses as its energy source methane, geothermal, solar, wind, biomass or hydropower resources.
 - 3. Is located on premises that are owned, operated, leased or otherwise controlled by the customer-generator.
 - 4. Operates in parallel with the District's electric distribution system.
 - 5. Is intended primarily to offset part of or all of the customer-generator's requirements for electric energy at the same location and not at another location.
 - 6. Meets all safety and performance requirements of the District and all applicable regulations, interconnection, and reliability standards established by the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and the Underwriters Laboratories. These requirements include being equipped to automatically isolate the qualified facility from the electric

7. system in the event of an electrical power outage or other conditions where the line is de-energized.

V. OPERATION

- A. A metering system shall be employed to read the flow of energy in two directions. If the customer's meter is not capable of measuring the flow of electricity in two directions, the District will provide such a metering system. The District, at its cost, shall have the right to install metering on the qualified facility(s) for information and reporting purposes.
- B. In months when the customer-generator generates more electricity than is consumed, all such excess energy will be expressed as a monetary credit equal to the avoided cost per kW-hour for the District, as calculated by the District's AC-1 rate schedule, for the month of generation. Monetary credits shall be applied to subsequent bills of the customer-generator and shall offset the cost of energy owed by the customer-generator.
- C. A customer-generator receiving service under this policy will be subject to the same retail rate as those who are not generators. Customer-generators served under this rate remain responsible for all charges from their normal rate schedule including monthly minimum charges, customer charges, horsepower charges, meter charges, facilities charges, demand charges and surcharges.
- D. At the end of the billing year, any excess monetary credits shall be paid out to the customer-generator to coincide with the final bill of each annual cycle. Credits will not be carried over from one billing year to another.
- E. At a time when the total generating capacity of all customer-generators using net metering is equal to or in excess of one percent of the rated capacity necessary to meet the District's average aggregate customer monthly peak demand forecast for the calendar year, the District may deny net metering service to additional customer-generators.
- F. In the event the qualified facility or customer-generator fails to meet the requirements of this policy, the customer-generator will become ineligible for net metering.
- G. If the District has not installed a second meter, the customer-generator will be asked to annually submit generation data for their qualified facility to assist the District in complying with state net metering reporting requirements.
- H. The District will submit data to the Nebraska Power Review Board and will publish the same data on the District website. Such data will include; total number of qualified facilities, total estimated rated generating capacity of qualified facilities, total estimated net kilowatt-hours received from customer-

generators, and total estimated amount of energy produced by the customer-generator.

VI. RESPONSIBILITY

The General Manager is responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

PRESIDENT

EFFECTIVE DATE: October 21, 2008

REVISED EFFECTIVE DATE: March 17, 2015
December 20, 2016 (Rewritten)