

ESCAMBIA RIVER ELECTRIC COOPERATIVE, INC.

NET METERING RIDER

SCHEDULE "NMTR"

1. DEFINITIONS

"Net metering" means calculating the difference in an applicable billing period between: 1) the charges for the electricity supplied by the Cooperative to a Residential or General Service Customer and 2) the credit to the Customer for electricity generated by such Customer that is delivered to the Cooperative.

2. AVAILABILITY

The Net Metering Rider shall be applied to the following rates:

Residential  
General Service  
General Service -Demand

3. APPLICABILITY

For the purpose of this rider the maximum capacity of the Renewable Distributed Generation Facilities for the residential Customer Generators is 25 kW. The maximum capacity for the nonresidential Customer Generators is 50 kW.

4. METERING

If the Customer's standard meter is capable of measuring electricity in both directions, it will be used for purposes of this Rider. If a Customer's standard meter is not capable of measuring electricity in both directions, the customer will pay the incremental cost for the Cooperative to install a meter that is capable of measuring electricity in both directions. In addition, the Cooperative reserves the right to install, at its own expense, a meter to measure the output of the Customer's generator.

5. ENERGY PROCESSING

The meter for each Customer Generator will be read and the billing data processed on the customer's existing regular monthly billing cycle.

With regard to the potential excess energy produced by the Customer Generators, EREC will meter and record the excess energy produced by each renewable distributed generation facility and credit the resultant total amount of net excess energy produced to the appropriate Customer Generator's account each month. The excess energy will be credited to the respective accounts using EREC's current avoided cost described in Section 7 of the rider. If the payment to the Customer is greater than the Cooperative's charges to the Customer, the Customer's bill shall be zero for the current billing cycle with the difference credited to the Customer in subsequent billing cycles. When the Customer discontinues Net Metering Rider service, any unused credit will revert to the Cooperative.

6. NET METERING CHARGES

The Customer Generator shall be charged for the energy EREC delivers at the following retail rates:

Residential

Customer Facilities Charge	As specified in Rate Schedule-RS
Energy Charge	

General Service

Customer Facilities Charge	As specified in Rate Schedule-GS
Energy Charge	

General Service - Demand

Customer Facilities Charge	As specified in Rate Schedule-GSD
Demand Charge	
Energy Charge	

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The Cooperative will adjust its rates periodically to reflect changes, up or down, to its cost of wholesale purchased power from its power supplier(s). The Cooperative will pass through any increase (or decrease) in purchased power costs in the form of a Purchased Power Cost Adjustment (PPCA). The adjustment will be calculated on a monthly basis using two factors: (1) the Cooperative's most current cost of purchased power measured in hundredths of a mill (a mill is one-tenth of a cent) and (2) the Cooperative's base PPCA as determined in its most recent cost of service study. The difference in these values, adjusted for line and equipment losses and un-metered energy sales, will be added to the member's billing as a PPCA charges. The Cooperative will provide sample calculations to its members describing how these adjustments are calculate

7. EXCESS NET GENERATION RATES

The credit to the customer shall be EREC's avoided cost and shall be the cost of energy (kWh) purchased from EREC's wholesale power provider, plus the Power Cost Adjustment from Power South.

8. GENERATOR SYSTEM REQUIREMENT

The Customer's generator system must meet the following requirements:

1. The nameplate rating of the Customer's generator system must not exceed 25 kW for Residential Customers and 50 kW for Non-Residential Customers;
2. The generator system must be owned and operated by the Customer and must be located on the Customer's premises.
3. The Customer's generator system must be intended primarily to offset part or all of the Customer's requirement for electricity;
4. The generator system must operate in parallel with the Cooperative's distribution facilities; and
5. The generator system must satisfy the Interconnection Requirement specified below.

9. INTERCONNECTOR REQUIREMENTS

The customer shall comply with the following requirements:

1. The Cooperative's technical requirements consist of:
  - a. IEEE 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE 1547).
  - b. Current version of ANSI/NFPA 70, "National Electric Code: (NEC).
  - c. Any other applicable local building codes. The interconnection must be inspected by local code officials prior to its operation to ensure compliance with applicable local codes.

Inverter based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as revised January 17, 2001 (UL 1741), are accepted by the Cooperative as meeting the technical requirements of IEEE 1547 tested by UL 1741.

2. The Customer shall provide proof of homeowners or other insurance providing coverage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of a net metering facility. This coverage must be maintained as long as the Customer is interconnected with the Cooperative's distribution system.
3. Conformance with these requirements does not convey any liability to the Cooperative for injuries or damages arising from the installation or operation of the generator system.

4. The Customer shall execute the Cooperative's standard Interconnection Agreement and provide other information reasonable requested by the Cooperative for service under this rider. The Cooperative shall require proof of qualified installation prior to acceptance and completion of the Interconnection Agreement. Certification by a licensed electrical shall constitute acceptable proof.
5. The Customer shall not begin parallel operations until the Customer has received notice from the Cooperative.

10. TERMS AND CONDITION OF SERVICE

1. Any characteristics of the Customer's generator that degrades or otherwise compromises the quality of service provided to other Cooperative Customers will not be permitted.
2. The Customer shall agree that the Cooperative shall at all times have immediate access to the Customer's metering, control and protective equipment.
3. The Customer shall install, operate, and maintain the net metering facility in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation in parallel with the Cooperative's system.
4. The Cooperative may, at its own discretion, isolate any net metering facility if the Cooperative has reason to believe that continued interconnection with the net metering facility creates or contributes to a system emergency.
5. A disconnecting device must be located at the point of common coupling for all interconnections. For three-phase interconnections, the disconnecting device must be gang operated. The disconnecting device must be accessible to Cooperative personnel at all times and suitable for use by the Cooperative as protective tagging location. The disconnecting device shall have a visible open gap when in the open position and be capable of being locked in the open position. The cost and ownership of the main disconnect switch shall reside with the Customer.
6. The Cooperative reserves the right to witness compliance testing at the time of installation and maintenance testing on the interconnection system for compliance with these conditions of service.
7. The Customer is responsible for establishing a program for and performing periodic scheduled maintenance on the net metering facility's interconnection system (relays, interrupting devices, controls schemes and batteries that involve the protection of the Cooperative's distribution system). A periodic maintenance program is to be established in accordance with the requirement of IEEE 1547. The Cooperative may examine copies of the periodic test reports or inspection logs associated with the periodic maintenance program. Upon the Cooperatives request, the Cooperative shall be informed of the next scheduled maintenance and be able to witness the maintenance performed and any associated testing.
8. The interconnection system hardware and software design requirements in the conditions of service are intended to assure protection of the Cooperative's distribution system. Any additional hardware and software necessary to protect equipment at the net metering facility is solely the responsibility of Customer to determine, design and apply.

REVISED SHEET 17.4  
CANCELLING ORIGINAL SHEET 17.4

9. The Customer agrees that the Cooperative shall not be liable for any damage to or breakdown of the Customer's equipment operated in parallel with the Cooperative's electric system.
10. The Customer shall agree to release, indemnify, and hold harmless the Cooperative from any and all claims for injury or damage to property due to or in any way connected with the operation of Customer-owned equipment and/or generators.
11. Renewable Energy Certificates associated with the electricity produced by Customer-owned renewable generation equipment may be retained by the Customer or voluntarily assigned to the Cooperative. Renewable Energy Certificates assigned to the Cooperative will not be returned to the customer.
12. The Customer shall remit to the Cooperative a \$50.00 application fee.

Issued by: Clay R. Campbell  
General Manager

Effective: April 1, 2010