WASHINGTON ELECTRIC MEMBERSHIP CORPORATION

RIDER "NM" NET METERING SERVICE

AVAILABILITY

January 1, 2015

Available in all territory served by the Corporation, subject to the established Service Rules and Regulations of the Corporation.

APPLICABILITY

Applicable to any customer of the Corporation owning and operating a distributed generation facility as defined in the Corporation's Customer Generation Procedures & Guidelines Manual for Members ("Manual"), provided that the customer has met all applicable conditions and requirements set forth in that Manual, including submittal of the Application for Operation of Customer-Owned Generation and the execution of the applicable Cooperative Agreement For Interconnection and Parallel Operation of Customer Generation.

The capacity of a distributed generation facility used by residential customers shall not exceed 10 kW and the capacity of a distributed generation facility used by a commercial customer shall not exceed 100 kW.

DEFINITIONS

The words and terms used herein shall have the following meanings, unless the context clearly indicates otherwise:

- 1. "Billing period" means, as to a particular customer, the time period between the dates on which the Corporation normally reads the retail service meter for billing purposes.
- 2. "Bi-directional meter" is a meter capable of measuring (but not necessarily displaying) electricity flow in both directions.
- 3. "Bi-directional metering" means measuring the amount of electricity supplied by the Corporation and the amount of electricity fed back to the Corporation by the customer's distributed generation facility using a single meter.
- 4. "Customer Generator" means the owner and operator of a distributed generation facility.

DEFINITIONS (continued)

- 5. "Distributed generation facility" means a facility owned and operated by a customer of the Corporation for the production of electrical energy that:
 - a. Uses a fuel cell, or a renewable energy source as defined below;
 - b. Has peak generating capacity of not more than 10 kW for a residential application and 100 kW for a commercial application;
 - c. Is located on the customer's premises;
 - d. Operates in parallel with the Corporation's distribution facilities;
 - e. Is connected to the Corporation's distribution system on either side of the Corporation's retail service meter; and
 - f. Is intended primarily to offset part or all of the Customer Generator's requirements for electricity.
- 6. "Excess net energy" is the positive difference between the electricity generated by the customer's distributed generation facility and the electricity consumed by the Customer Generator during the billing period.
- 7. "Carrying cost factor" shall be 0.015. This factor includes costs such as operations and maintenance expense, administrative and general expenses, taxes, depreciation and the Corporation's cost of capital related to its utility plant investment. The 0.015 carrying cost factor is based upon costs estimated at the effective date shown above and may be revised by the Corporation in accordance with the latest cost information available.
- 8. "Net metering customer" means a Customer Generator receiving net metering service.
- 9. "Net metering" means measuring the difference, over the billing period, between electricity supplied to a Customer Generator from the electric grid and the electricity generated and fed into the electric grid by the Customer Generator, using a single bidirectional meter or an additional single direction meter.
- 10. "Renewable energy sources" means energy supplied from technologies such as a solar photovoltaic system, wind turbine, biomass system, or other technologies approved in the Georgia Green Pricing Accreditation Program.

TYPES OF NET METERING

Net Metering will be accomplished using either (1) bi-directional metering for distributed generation facilities interconnected on the Customer Generator's side of the retail service meter, or (2) single directional metering for distributed generation facilities interconnected with the Corporation's distribution system on the Corporation's side of the retail service meter.

DISPOSITION OF ENERGY

If the electricity consumed by the Customer Generator during the billing period exceeds the electricity generated by the customer's distributed generation facility during the billing period, then all electricity generated by the customer generation shall be deemed to have been used by the Customer Generator. If the electricity generated by the customer's distributed generation facility during the billing period exceeds the electricity consumed by the Customer Generator, then such excess net energy shall be purchased by the Corporation as provided under the Rate For Purchase of Net Energy section herein.

CHARGES FOR NET METERING SERVICE

Each Customer Generator shall be charged for electric service under that rate schedule which would otherwise be applicable if the customer was not a Customer Generator. In addition, each Customer Generator shall pay a monthly Service Charge based upon the direct costs to the Corporation associated with interconnecting the customer's distributed generation facility and with the provision of and administration of net metering services. Said monthly Service Charge shall include the following:

- 1. A facilities charge based on the total cost of all facilities installed by the Corporation, including transformers, protective devices, controls and monitoring equipment times the Corporation's monthly carrying cost factor;
- 2. A facilities charge based on the total incremental cost of metering equipment times the Corporation's monthly carrying cost factor; and
- 3. \$5.00 per month administrative charge.

RATE FOR PURCHASE OF NET ENERGY

The rate used to determine the dollar amount paid for net energy purchased by the Corporation shall be based upon the Corporation's avoided average annual cost of purchased power. The purchase rate as of the effective date shown below is:

All kWh \$0.035 per kWh

The above-stated rate may be adjusted annually at the sole discretion of the Corporation, to reflect the prevailing avoided average cost of purchased power.

The Corporation will purchase energy from Customer Generators on a first-come, first served basis only until the cumulative generating capacity of all the Customer Generators' renewable resources equals 0.2 percent of the Corporation's annual peak demand in the previous year.

TERM OF SERVICE

The term of service hereunder shall be set forth in the Agreement For Interconnection and Parallel Operation of Customer Generation between the Customer Generator and the Corporation.

ADOPTED: July 1, 2009

REVISED: December 18, 2014 EFFECTIVE: January 1, 2015