

TERMS AND CONDITIONS

XXV. NET METERING

A. Availability

Net metering is available to a “Customer-Generator” that owns and operates a small-scale “Renewable Energy Facility” that meets the following criteria:

1. Has an alternating current capacity of not more than one megawatt; and
2. Uses as its total fuel source a Renewable Energy Resource which is defined as
 - a. a solar photovoltaic, solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; or
 - b. a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; or
 - c. waste heat derived from a Renewable Energy Resource and used to produce electricity or useful, measurable thermal energy at a retail electric Customer’s facility; or
 - d. hydrogen derived from a Renewable Energy Resource; and
3. Is designed for Customer-Generator’s own use, not for sale to Company or a third party; and
4. Is interconnected and operated in parallel with the Company’s electric distribution system in accordance with Section XXIV - Generator Interconnection Standard of Company’s Terms and Conditions; and
5. Does not generate only thermal energy; and
6. Must generate electricity that flows through Company’s meter.

Customer-generators may not participate as suppliers of Renewable Energy Resources in the NC Green Power Program.

B. Interconnection

Customer-Generator shall submit an Interconnection Request in accordance with Section XXIV.

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TERMS AND CONDITIONS

XXV. NET METERING (Continued)

C. Metering

1. Net metered energy shall be measured in accordance with standard metering practices by Company's metering equipment that is capable of measuring (but not necessarily displaying) power flow in both directions.
2. When a Customer-Generator requests metering equipment which is intended to be read off-site and Company would not have normally provided such off-site metering, Company will charge Customer-Generator the actual cost of the meter installation.

D. Billing

1. If Customer-Generator chooses to receive retail electric service in accordance with one of Company's applicable rate schedules that is not a time-of-use rate schedule, credit for excess electricity generated during a monthly billing period shall be carried forward to the following monthly billing period, but shall be granted to Company at no charge and the credit balance reset to zero at the beginning of each summer billing season.
2. If Customer-Generator chooses to receive retail electric service in accordance with one of Company's applicable time-of-use rate schedules, Company shall bill Customer-Generator for the applicable of the basic customer charge, the demand charge(s), and any other charges under such applicable time-of-use rate schedule for a monthly billing period. In addition, Company shall bill Customer-Generator for kilowatt-hour usage for a monthly billing period in accordance with the following:
 - a. If both the on-peak and off-peak kilowatt-hours supplied by Company exceed both the on-peak and off-peak kilowatt-hours delivered by Customer-Generator to the grid, Company shall bill Customer-Generator on-peak and off-peak kilowatt-hours equal to the difference by which the on-peak and off-peak kilowatt-hours supplied by Company exceed the on-peak and off-peak kilowatt-hours delivered by Customer-Generator to the grid, respectively.
 - b. If both the on-peak and off-peak kilowatt-hours supplied by Company are less than both the on-peak and off-peak kilowatt-hours delivered by Customer-Generator to the grid, Company shall not bill Customer-Generator any on-peak and off-peak kilowatt-hours.

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TERMS AND CONDITIONS

XXV. NET METERING (Continued)

- c. In the event either the on-peak or the off-peak kilowatt-hours delivered to the grid by Customer-Generator exceed the on-peak or off-peak kilowatt-hours supplied by Company, respectively, the following shall apply:
 - 1) Where on-peak kilowatt-hours delivered to the grid by Customer-Generator exceed the on-peak kilowatt-hours supplied by Company, the Company shall not bill for on-peak kilowatt-hours and the excess (On-Peak Kilowatt-hour Credits) shall be applied to any remaining off-peak consumption, pursuant to c.4), below.
 - 2) Where on-peak kilowatt-hours supplied by Company exceed the on-peak kilowatt-hours delivered to the grid by Customer-Generator, then Company shall bill the difference.
 - 3) Where off-peak kilowatt-hours delivered to the grid by Customer-Generator exceed the off-peak kilowatt-hours supplied by Company, the Company shall not bill for off-peak kilowatt-hours. The excess shall become Off-peak Kilowatt-hour Credits.
 - 4) Where off-peak kilowatt-hours supplied by Company exceed off-peak kilowatt-hours delivered to the grid by Customer-Generator, then Company shall first apply any On-Peak Kilowatt-hour Credits from c.1), above, to the difference. In the event there is any remaining off-peak consumption after application of On-Peak Kilowatt-hour Credits, such off-peak consumption shall be billed by Company.
3. Any remaining On-peak or Off-peak Kilowatt-hour Credits shall be applied to the following monthly billing period in the same manner described in item D.2.c., above. Except that at the beginning of each summer billing season – as defined in the applicable time-of-use rate schedule, Company shall reset any remaining On-peak or Off-peak Kilowatt-hour Credits to zero.

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TERMS AND CONDITIONS

XXV. NET METERING (Continued)

4. On-peak and Off-peak Kilowatt-hour Credits are nontransferable. In the event that Customer-Generator terminates participation in Net Metering, existing credits will be applied to Customer-Generator's final bill as a Net Metering participant. On-peak and Off-peak Kilowatt-hour Credits remaining on Customer-Generator's account after the final bill, if any, will be forfeited by Customer-Generator. In no case will any credit balance have any cash value or be convertible to cash.

E. Ownership of Renewable Energy Credits

1. If Customer-Generator chooses to receive retail electric service from Company in accordance with the applicable of Schedule 1P – Residential Service, Schedule 5P – Small General Service, or Schedule 6P – Large General Service, Customer-Generator shall retain ownership of all renewable energy credits (RECs) associated with its electric generation.
2. If Customer-Generator chooses to receive retail electric service from Company in accordance with an applicable rate schedule other than Schedule 1P, Schedule 5P, or Schedule 6P, Customer-Generator shall assign any RECs associated with all electric generation by the Renewable Energy Facility to Company as part of the net metering arrangement.

F. Term of Contract

The term of contract for Net Metering shall be as may be mutually agreed upon by the Customer-Generator and the Company, but for not less than one year.