

**Emerald People's Utility District
Net Metering Policy
Approved by Board May 10, 2011**

This Net Metering Policy sets forth the guidelines under which the Emerald People's Utility District (District) will support Net Metering Service for a Net Metering Facility interconnected to the District's electrical system. This policy specifically addresses the requirements set forth in ORS 757.300. A Customer-generator on the District's system, which means a user of a Net Metering Facility as defined in ORS 757.300(a), must comply with the terms and conditions of the District's Generation Interconnection Policy and any other applicable District policy.

Net Metering Facilities

A Net Metering Facility is defined as an electrical generating facility that meets the following criteria:

- The Net Metering Facility must generate electricity using solar power, wind power, fuel cells, hydroelectric power, landfill gas, digester gas, waste, dedicated energy crops available on a renewable basis or low-emission, nontoxic biomass based on solid organic fuels from wood, forest or field residues.
- The primary intent of a Net Metering Facility must be to offset part or all of the Customer-generator's own electrical load. For existing locations, the maximum output of the Net Metering Facility in kWh/year shall not exceed 100% of the average annual use for the last three calendar years at that location.
- The Net Metering Facility must be located on property owned by the Customer-generator and interconnected to the Customer-generator's load.
- The Net Metering Facility must be able to operate in parallel with the District's existing transmission and distribution facilities.
- The rated capacity of the Facility may not exceed 25 kilowatts.

Net Metering Service

The District shall provide net metering service by measuring the difference between the electricity supplied by the District to a Net Metering Facility's location and the electricity generated by the Net Metering Facility and fed back to the District over a given billing period. The District will support Net Metering Facilities by providing, at its own expense, enhanced metering equipment capable of registering the net flow of electricity to the District. The District shall make such modifications to the District's system as are reasonably necessary to accommodate a Net Metering Facility in accordance with the District's Line Extension Policy and Customer Service Policy. The cost for such modifications shall be paid by the Customer-generator and will be due in advance. The District will measure the net electricity produced or consumed during a given billing period in accordance with normal metering practices.

Credit for Generation

- The generation credit arrangement for a given Net Metering Facility will be established in a Net Metering Agreement between the District and the Customer-generator.
- If a Net Metering Facility uses more electricity than is fed back into the District's system during a billing period, the Customer-generator will be billed for the net energy consumed based on the rate applicable to their class of service.
- If the Net Metering Facility feeds back into the District's system more electricity than is used by the Customer-generator's owner during a billing period, the Customer-generator

will be billed the facilities charge applicable to their class of service and be credited for the excess electricity generated and fed to the District's system.

- For the billing period ending in December of each year, any unused credits that have accumulated during the previous twelve months will be applied to the District's low-income assistance program. The monetary rate of credit for these purposes will be based on the District's avoided cost.

Special Conditions

- Net Metering Facility owners must agree to waive any claims to environmental attributes and assign them to District. Environmental attributes include, but are not limited to, green tags, green certificates, carbon credits, renewable energy credits (RECs), and tradable renewable certificates directly associated with the production of energy from the Facility.
- The District reserves the right to limit service to Net Metering Facilities once the total cumulative generating capacity of solar, wind, fuel cell, and microhydroelectric Net Meter systems has reached one-half of one percent of the District's historic single-hour peak load.
- The District reserves the right to charge additional fees to Net Metering Facilities, following notice to District customers and the opportunity to comment, if the direct costs of interconnection and administration of the Net Metering service outweigh the distribution system, environmental, and public policy benefits of allocating such costs among the District's entire customer base.