

Policy # 311
Net Metering Policy

Reviewed and Approved Annually
Effective January 1, 2019

Policy & Objective: To provide WREA management and staff policies and procedures for the WREA Net Metering program. The WREA Net Metering procedures shall be set forth by WREA management. WREA Net Metering procedures shall include a Net Metering Application & Agreement, WREA Net Metering Information & Service Requirements and the WREA Net Metering Tariff.

Responsibility: The WREA General Manager shall be responsible for implementation and enforcement of this policy.

- I. **Net Metering** is an electric policy and service for consumers who own and utilize renewable energy facilities (such as wind, solar power or hydroelectric power) to generate electricity that offsets electric energy provided by the electric utility. Residential systems up to 10 kW in capacity and commercial and industrial systems up to 25 kW are credited for any net excess generation produced by their system. A Consumer-Generator is subject to the terms and conditions of the WREA Net Application & Agreement, the WREA Net Metering Policy and associated WREA Net Metering Tariff. If you are interested in Net Metering, please call WREA and ask to speak to a WREA Field Representative for additional information.
- a) **WREA Net Metering Application and Agreement:** The WREA Net Metering Application & Agreement must be completed, executed, returned to WREA and approved by WREA prior to interconnection and participation in the WREA Net Metering program.
 - b) **Maximum Capacity:** A Consumer-Generator must have a rated capacity of 10 kW or less for residential installations or 25 kW or less for commercial installations to qualify for Net Metering.
 - c) **Safety and Performance Standards:** WREA requires that a generating system used by a Consumer-Generator to meet all applicable safety and performance standards established by the National Electric Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), Underwriters Laboratory (UL), the National Electric Safety Code (NESC) and all other applicable regulations or standards.
 - d) **Photovoltaic and Inverters:** When an inverter is used the Consumer-Generator will be required to use an inverter that is listed with and in compliance with Underwriters Laboratory (UL) 1741 Standard. Photovoltaic systems must be installed in compliance with IEEE Standard 929-2000 and in compliance with the relevant NEC articles for Solar Photovoltaic Systems. An approved State inspection of the new service and/or PV system is required prior to the interconnection of the system.
 - e) **Liability Insurance:** The Consumer-Generator shall carry no less than three-hundred thousand dollars (\$300,000) of liability insurance that provides for coverage of all risk and liability for personal injuries (including death) and damage to property arising out of or caused by the Consumer-Generators systems of 10 kW or smaller; or two million dollars (\$2,000,000.00) for systems between 11-25 kW. WREA shall be named as an additional insured on the insurance policies for Consumer-Generator systems between 11-25 kW. Insurance may be in the form of a new insurance policy or an endorsement on an existing insurance policy. Proof of insurance is required prior to interconnection and annually thereafter.

- f) **Interconnection Costs:** WREA will provide the Consumer-Generator with an estimate of WREA's interconnection costs. The Consumer-Generator shall reimburse WREA in full for WREA's interconnection costs prior to interconnection. The interconnection costs shall include all costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by WREA directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with the Consumer-Generator. Reimbursement costs shall be paid to the WREA in full prior to interconnection.
- g) **Interconnection:** Interconnection is permitted only after all of WREA's requirements are met including but not limited to WREA's signed approval of the WREA Net Metering Application & Agreement. Interconnection will not be approved until all WREA interconnection costs are fully reimbursed by the Consumer-Generator. The Consumer-Generator shall remain responsible for the installation, operation and maintenance of the facilities at all times and shall own, maintain and operate its facilities in a responsible and safe manner. If in WREA's opinion, the Consumer-Generator fails to meet WREA requirements or fails to operate and maintain the facilities in a responsible or non-qualifying manner, WREA shall notify the Consumer-Generator of its non-compliance. Based upon non-compliance WREA shall cease to operate in parallel and shall not purchase any capacity and energy made available and may require the Consumer-Generator to disconnect the generating facilities from WREA's system. In the event the Consumer-Generator fails to immediately correct operations or to comply with a disconnect notice, WREA reserves the right to make such disconnection including the termination of electric service if necessary.
- h) **WREA Access:** WREA employees and authorized representatives shall have the right to enter the Consumer-Generator's property at any reasonable time to insure continued compliance with WREA's safety and operating standards and the accuracy of its meters. Such inspection by WREA shall not relieve the Consumer-Generator from the responsibility of installing, operating and maintaining the facilities in a responsible and safe manner.
- i) **Disconnect Requirements:** In order to provide for the safety of WREA's employees and authorized representatives when performing certain operation and maintenance the following two requirements shall be met upon disconnection:
- i. The Consumer-Generator's facilities shall be designed and operated to automatically disconnect or shut down during scheduled or unscheduled outages to ensure that it will not back feed on to any part of WREA's distribution system.
 - ii. That a means be available to positively disconnect the Consumer-Generator's facilities from the system such that there is no possibility that the generator could back feed through the service transformer and energize the primary system. This requirement shall be met with a Consumer-Generator furnished and installed Underwriter's Laboratory (UL) listed manual disconnect switch, which shall be located between the Consumer's Consumer-Generator and WREA's system. The location of the switch shall meet all code requirements and be approved by WREA and shall be housed in an approved enclosure which can be secured with a padlock or locking device.
- j) **Emergency Isolation of Qualifying Facility:** WREA reserves the right to open the disconnect switch (i.e., isolating the Consumer-Generator) without prior notice for any of the following reasons: System emergency and/or maintenance operations require such action, and A potentially hazardous condition relating to the Consumer-Generator is discovered.
- k) **Normal Isolation of Qualifying Facility:** Upon 24 hours notice by WREA, the Consumer-Generator agrees to disconnect its facilities from WREA's system for maintenance, or normal operations.

- l) **Single-Phase Limitations:** The rated capacity of the Consumer-Generator to be connected in parallel with a low voltage service shall be no greater than 10 kW for single-phase installations unless, in the sole determination of WREA, a larger single-phase installation is acceptable.
- m) **Quality of Service:** The operation of the Consumer-Generator's facilities must not cause any reduction in the quality of service to other WREA consumers nor interfere with the operation of WREA's overall distribution and transmission system. The Consumer-Generator shall be responsible for taking whatever corrective action may be required and/or reimbursing WREA for the cost of any corrective action deemed necessary by WREA.
- n) **Electrical Characteristics:** The electrical characteristics of the Consumer-Generator shall conform to standards established by WREA. The standards shall include voltage, current, frequency, harmonics, and automatic synchronization, etc. Wherever possible WREA will base its standards on industry wide standards.
- o) **Power Factor:** The Consumer shall endeavor to operate its facilities as near unity power factor as possible. For Consumer-Generators with rated capacity above 10 kW, WREA reserves the right to require the Consumer to install power factor correction equipment or reimburse WREA for its cost of installing power factor correction equipment.
- p) **Metering:** WREA will meter the Consumer-Generator in order to obtain billing data as well as the energy purchased by the Consumer and sold by the Consumer to WREA. Consumer-Generator shall be required to pay for any metering costs incurred by WREA.

II. **Net Metering Applicability, Availability and Definitions:**

- a) **Applicability:** Applicable to all eligible Consumer-Generators whose electric service is supplied by WREA and who comply with the terms and conditions of a fully executed and approved WREA Net Metering Application & Agreement.
- b) **Availability:** Net Metering is available to WREA customers located within the Association's service territory who own, operate, lease or otherwise control an Eligible Renewable Energy Generation System.
- c) **Consumer-Generator:** A WREA customer who generates electricity on the customer's side of the meter using eligible energy sources.
- d) **Net Generation:** The measured difference, in kilowatt hours (kWh) between the electricity supplied to a Consumer-Generator by the Association and the electricity generated by the Consumer-Generator and delivered to the Association at the same point of interconnection that is in excess of the electricity used at the same location.
- e) **Net Purchaser:** The measured difference, in kilowatt hours (kWh) between the electricity supplied to a Consumer-Generator by the Association and the electricity generated by the Consumer-Generator and delivered by the Association at the same point of interconnection that is in excess of the electricity produced by the Consumer-Generator's system.
- f) **Rates & Charges:** At the end of each annual period, WREA shall pay the Consumer-Generator for any remaining unused credited kWh balance accumulated during the previous twelve months. The rate for payment shall be WREA's most recent Average Cost of Power. The Average Cost of Power shall be calculated annually using the previous 12 month's wholesale power bill. The calculation shall be the total cost of purchased power divided by the total kWh's purchased by the Association. The Association shall issue a check for any credited kWh balance within 60 days after the end of each annual period. The rates and charges for retail electric service to Consumer-Generators shall be based on

the Association's applicable rate tariff for the customer's premises. In those months where the Consumer-Generator is a net purchaser of electric energy from the Association, the Consumer-Generator will be billed by the Association based on the net metered kWh usage for the month and the terms of the rate schedule. In those months where the Consumer-Generator is a net generator of electric energy to the Association, a kWh credit balance for the net energy received by the Association will be carried forward to the next month. WREA will bill the Consumer-Generator for the applicable customer service charge and other applicable charges of the rate schedule but with zero kWh usage for the month. For purposes of this Net Metering tariff only, the annual period shall be July 1st to June 30th of the following year. At the end of each annual period, WREA shall pay the Consumer-Generator for any remaining unused credited kWh balance accumulated during the previous twelve months and shall issue a check for any credited kWh balance within 60 days after the end of each annual period.

- g) **Eligible Generation System:** An electric generating system which: has a total aggregate nameplate generating capacity, from a single or multiple generators, of 10 kilowatts (kW) or less for residential installations; or has a total aggregate nameplate generating capacity, from single or multiple generators, of 25 kW or less for commercial installations; and uses as its energy source solar, wind, biomass, hydropower, geothermal or other qualifying renewable resources; and is intended primarily to offset part or all of the Consumer-Generator's electric energy requirements at the same location; and is located on the premises that are owned or leased by the Consumer-Generator; and operates in parallel with the WREA electric distribution system; and shall not be used to offset or provide credits for electric consumption at another location of the Consumer-Generator or for any other customer; and meets all WREA safety and performance requirements and applicable regulations and standards.