

BEREA MUNICIPAL UTILITIES

INTERCONNECTION POLICY

ELECTRIC RATE SCHEDULE – NET METERING SERVICE CLASS 9

- (a) Applicable: In all territory served by Berea Municipal Utilities (BMU).
- (b) Availability of Service: Available to customers who lease or own, operate, and maintain a generation system located on customer's premises that use as its total fuel source solar, wind or hydro energy, in parallel with BMU's electric system to provide all or part of their electrical requirements, and who execute BMU's written Net Metering Notification Form. The generation system shall be limited to a maximum capacity of 10 kilowatts for residential customers and 60 kilowatts for non-residential customers. This service will be made available to BMU electric customers, not to exceed 1% of BMU peak system demand, who execute and submit a Net Metering Notification form. The initial limit will be 360kW to be re-evaluated every three years.
- (c) Notification: The customer shall submit a completed Net Metering Notification Form to BMU at least 30 days prior to the date the customer intends to interconnect his generator to BMU's facilities. Customer shall have all equipment necessary to complete the interconnection installed prior to such notification. The company shall have 30 days from the date of notification to determine whether the customer has satisfied the tariff requirements and shall notify customer. The date of notification shall be the third day following the mailing of the Net Metering Notification Form by customer. Customer may interconnect his generator thirty-one days after the date of notification, and begin operation unless BMU provides notification of non-compliance to the tariff, prior to the 31st day.
- (d) Metering and Billing: Net Metering service shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions. If electricity generated by the customer and fed back to BMU's system exceeds the electricity supplied to the customer for the system during a net metering period, the customer shall receive no compensation from BMU unless the customer has entered into a purchase power contract with BMU. If electricity generated by the customer and fed back to the system exceeds the electricity supplied to the customer from the system during any monthly billing period, resulting in a Billing Period Credit, the customer shall be required to pay only the non-energy charges for that billing period. Any excess net generation by the customer shall be accumulated, carried forward and applied at the first opportunity to any monthly billing periods having a positive net consumption. Any accumulated Billing Period Credits remaining unused at the end of a monthly net metering period shall be carried forward into the next monthly net metering period for a twelve month period when all credits will expire and zero out. Net metering service shall be measured using a single meter or, as determined by BMU, additional meters.

(e) Rates:

- (1) For customers with rated generating capacity not exceeding 10 kilowatts, net energy usage shall be billed at current kWh residential rates.
- (2) For customers with rated generating capacity exceeding 10 kilowatts, net energy usage shall be billed at avoided cost or wholesale kWh currently charged by KU to BMU.

(f) Liability Insurance: A customer with a generator with a rated capacity not exceeding 10 kilowatts shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least \$100,000 for the liability of the insured against loss arising out of the use of a generator, and for a generator with a rated capacity exceeding 10 kilowatts such coverage shall be in the amount of at least \$300,000.

(g) Additional Controls and Tests: BMU may install additional controls of meter, or conduct additional tests as it may deem necessary.

(h) Net Metering Service Interconnection Guidelines: Customer shall operate their generating facilities in parallel with BMU's system under the following conditions and any other conditions required by BMU where unusual conditions arise not covered herein:

- (1) Customer to own, install, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between customer's and BMU's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as BMU's system voltage.
- (2) Customer will be responsible for operating generators and all facilities owned by customer, except as specified hereinafter. Customer will maintain its system in synchronization with BMU's system. Customer's equipment must be located in a BMU approved location and may not interfere with the operation, maintenance and access of BMU equipment.
- (3) Customer will be responsible for any damage done to BMU's equipment due to failure of customer's control, safety, or other equipment.
- (4) BMU, at its discretion, may require a suitable lockable, BMU accessible, load breaking manual disconnect switch or similar equipment, as specified by BMU, to be furnished by customer at a location designated by BMU to enable the separation or disconnection of the two electrical systems. The load breaking manual disconnect switch must be accessible to BMU at all times.

- (5) Customer agrees to inform BMU of any changes it wishes to make in its generating and/or associated facilities that is different from those initially installed and described to BMU in writing and obtain prior approval from BMU.
 - (6) BMU will have the right to inspect and approve customer's facilities, described herein, and conduct any tests necessary to determine that such facilities are installed and operating properly. However, BMU will have no obligation to inspect, witness tests or in any manner be responsible for customer's facilities or operation.
 - (7) The customer assumes all responsibility for the electric service on the customer's premises at and from the point of delivery of electricity from BMU and for the wires and equipment used in connection therewith, and will protect and save BMU harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of electricity from BMU, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of BMU.
- (i) Conditions of Interconnection: A customer may begin operation of his generator on an interconnected basis when all of the following have been satisfied.
- (1) The customer has properly notified Berea Municipal Utilities (BMU) of his intent to interconnect by submission of the completed Net Metering Notification Form.
 - (2) The net metering customer has installed a lockable, BMU accessible, load-breaking manual disconnect switch, if required.
 - (3) A licensed electrician has certified, by signing the Net Metering Notification Form, that any required manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
 - (4) The vendor has certified, by signing the Net Metering Notification Form, that the generator being installed is in compliance with the requirements established by Underwriters Laboratories, of other national testing laboratories.
 - (5) The customer has had the inverter settings inspected by BMU, if the generator is a static inverter-connected generator with an alternating current capacity in excess of 10 kilowatts. BMU may impose a fee on the customer for such inspection, which will be actual cost not exceeding \$50.00 per inspection.
 - (6) For non-static inverter-connected generators, the customer has interconnected according to BMU's interconnection guidelines and BMU has inspected all protective equipment settings. BMU may impose a fee on the customer for such inspection, which will be actual cost not exceeding \$50.00 per inspection.

(j) Definitions:

“Billing Period” shall be the time period between the dates on which Berea Municipal Utilities issues the customer’s bills.

“Billing Period Credit” shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer for the electric system during any billing period.

“Net Metering Period” shall be each successive 12-month period beginning with the first meter reading date following the date of final interconnection of the generator with Berea Municipal Utilities facilities.

(k) Rules and Regulations: Except as provided herein, service will be provided under Berea Municipal Utilities’ Rules and Regulations or Terms and Conditions.