

NORTHEAST NEBRASKA PUBLIC POWER DISTRICT
Wayne, Nebraska

Policy Bulletin No. 11-16

Subject: Net Metering of Energy Use for accounts with customer owned generation powered by renewable sources of energy

I. OBJECTIVE

To set forth a policy for the interconnection and billing by use of net metering of energy generated by small renewable energy generation installed by retail customers whose electric service is supplied by Northeast Nebraska PPD.

II. DEFINITION

Net metering billing: Net Metering is a billing scheme whereby the District will permit the customer to offset part or all of their normal retail energy purchases with power produced by the customer through renewable generation. The purpose of Net Metering is to provide a credit for the retail value of the energy produced as opposed to purchasing the energy outright at wholesale prices.

III. POLICY

1) Applicable to retail customers as follows:

- A. Having a total aggregate nameplate generating capacity, from single or multiple generators of twenty-five kilowatts (25 kW) or less at a single site:
 - i. The Northeast Nebraska PPD Board of Directors must approve Generator(s) above 25 KW for net metering on a case-by-case basis.
 - ii. The District reserves the right to refuse the inter-connection of any customer owned generator that is greater than 25 kW when engineering studies show constraints on the electric system.
 - iii. All generators must meet NeNPPD's inter-connection standards and have a signed contract with NeNPPD governing the operation of the generator.
- B. Eligible generation under this policy uses solar, wind, biomass or hydropower resources as its fuel source.
- C. Is located on premises that are owned, operated, leased or otherwise controlled by the retail customer.
- D. Operates in parallel with the Northeast Nebraska PPD's electric distribution system.
- E. Is intended primarily to offset part, or all, of the retail customer's requirements for electric energy at the location of the generation and not at another location.

F. Meets all safety and performance requirements of the Northeast Nebraska PPD and applicable federal, state, and local regulations and interconnection standards.

- 2) A single meter or smart metering system shall be employed to read the flow of energy in two directions. If the customer's meter is not capable of measuring the flow of electricity in two directions, Northeast Nebraska PPD will provide such a meter or will employ the use of a smart metering system that serves the same function. Energy used and energy generated will be netted, effectively providing a subsidy by the District as a result of crediting a retail value to the customer, while the District still incurs the cost of providing retail services. Additional meters may be installed at the expense of Northeast Nebraska PPD and may be used to generate data for research purposes and not for billing purposes.
- 3) In months when the retail customer generates more electricity than is consumed, all such excess energy, expressed as a monetary credit equal to the average wholesale energy cost per kilowatt hour for Northeast Nebraska PPD for the month of generation. Any calculated monetary credits shall be applied to subsequent monthly bills of the retail customer and shall offset the cost of energy owed by the retail customer.
- 4) A retail customer receiving service under this policy will be subject to the same retail rate schedule as those who are not generators. If the retail customer's energy use exceeds the energy they generate then the bill will reflect a retail charge for only the energy used beyond what is offset by their generation. Minimum charges per rate schedules or contract will continue to apply.
- 5) At the end of the calendar year, any excess monetary credit balance shall be paid out to coincide with the final bill of each calendar year.
- 6) At a time when the total installed generating capacity of all retail customers using net metering billing is equal to or in excess of one percent of the capacity necessary to meet Northeast Nebraska PPD's average aggregate customer monthly peak demand forecast for the calendar year, Northeast Nebraska PPD may deny net metering service to additional retail customers.
- 7) Retail customers must be able to provide proof of \$1,000,000.00 liability insurance coverage prior to interconnection for units of greater than 4 kW. For generators of 4kW or smaller the District will accept the hold harmless language contained in the interconnection agreement.

Date Adopted: October 28, 2008
Date Modified: October 27, 2009

Attested: _____
Dan Loberg, Secretary