

MERCED IRRIGATION DISTRICT**ELECTRIC SERVICE SCHEDULE NEM
NET ENERGY METERING****APPLICABILITY:**

This schedule is applicable to all residential, small commercial (under 20 Kw), commercial, industrial, or agricultural customers, who use a solar electrical generating facility with a capacity of not more than one megawatt that is located on the customer's owned, leased, or rented premises, is interconnected and operates in parallel with the District's electric grid, and is intended primarily to offset part or all of the customer's own electrical requirements (Eligible Customer-Generator). This rate schedule is available on a first-come first-served basis until such time that the total rated generating capacity used by Eligible Customer-Generators exceeds five percent (5%) of the District's aggregate customer peak demand.

TERRITORY SERVED:

The entire area within the Merced Irrigation District service boundary as distribution lines and capacity are developed and declared available by the District.

RATES:

A customer taking service under this rate schedule is responsible for all charges in accordance with the rate schedule to which the same customer would be assigned if the customer did not use an eligible solar electrical generating facility (Applicable Rate Schedule), including monthly minimum charges, customer charges, demand charges, energy charges, mandated charges, and power factor correction. Energy Charges will be based on the net metered kilowatt-hour consumption over a 12-month period, in accordance with the Net Energy Billing section below

SPECIAL CONDITIONS:

1. **METERING EQUIPMENT:** Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions. An additional meter or meters to monitor the flow of electricity in each direction may be installed with the consent of the Eligible Customer-Generator, at the expense of the District, and the additional metering shall be used only to provide the information necessary to accurately bill or credit the Eligible Customer-Generator, or to collect generating system performance information for research purposes. If the existing electrical meter of the Eligible Customer-Generator is not capable of measuring the flow of electricity in two directions, the Eligible Customer-Generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions. If an additional meter or meters are installed, the net energy metering calculation shall yield a result identical to that of a single meter.
2. **NET ENERGY METERING:** Net energy metering means measuring the difference between the electricity supplied by the District through the electric grid to the Eligible Customer-Generator and the electricity generated by the Eligible Customer-Generator and fed back to the electric grid over a 12-month period. At the end of

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Effective January 2011

each 12-month period following the date of final interconnection of the Eligible Customer-Generator's system with the District, and at each anniversary date thereafter, where the electricity generated by the Eligible Customer-Generator during the 12-month period exceeds the electricity supplied by the electric service provider during that same period, the Eligible Customer-Generator is a net electricity producer and the District shall retain any excess kilowatt-hours generated during the prior 12-month period.

3. NET ENERGY BILLING:

A. For all residential and small commercial customers taking service under this rate schedule and for each billing period, the net balance of moneys owed to the District for net consumption of electricity or credits owed to the Eligible Customer-Generator for net generation of electricity shall be carried forward as a monetary value until the end of each 12-month period or until the time the Eligible Customer-Generator terminates taking electric service from the District under this rate schedule whichever comes soonest. The District shall provide net electricity consumption information with each regular bill, along with the current monetary balance owed the District for net electricity consumed since the last 12-month period ended. At the request of a customer, the District will permit the customer to pay monthly for net energy consumed.

B. For all commercial, industrial, and agricultural customers taking service under this rate schedule, the net balance of moneys owed to the District shall be paid in accordance with the District's normal billing cycle, except that if the commercial, industrial, or agricultural Eligible Customer-Generator is a net electricity producer over a normal billing cycle, any excess kilowatt-hours generated during the billing cycle shall be carried over to the following billing period as a monetary value, calculated according to this rate schedule and will appear as a credit on the Eligible Customer Generator's account until the end of each 12-month period or until the time the Eligible Customer-Generator terminates taking electric service from the District under this rate schedule, whichever comes soonest.

4. NET SURPLUS GENERATION COMPENSATION:

If the eligible customer is a net energy producer, the District shall calculate the amount of net surplus generation over the 12 month period and, at the customer's election, either provide a monetary credit for net surplus generation to be paid out to the customer or roll over the net annual surplus kilowatt hours into the next 12 month period. Monetary value for each net surplus generated kilowatt hour shall be based on the average NP-15 Index over a one year period and will be updated on an annual basis. Any renewable energy credit associated with net surplus electricity purchased by the District shall belong to the District.

Net Surplus Rate.....\$0.0372

5. All special conditions contained under the Applicable Rate Schedule shall apply unless superseded by this rate schedule.

6. All Eligible Customer-Generators taking service under this rate schedule must enter into an interconnection agreement and any other agreements as necessary with the District and will be subject to and abide by all applicable rules, conditions, and requirements of the District unless superseded by this rate schedule.
7. The Eligible Customer-Generator shall meet all applicable safety and performance standards established by the National Electric Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability, and shall be subject to inspection and written approval by the District.