

RIDER NM **NET METERING RIDER**

AVAILABILITY

This Rider shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion. Total participation in this Rider is limited to one percent (1.0%) of Company's most recent aggregate summer peak load with 40% of that capacity reserved solely for residential customers. Service under this Rider shall be available on a first come, first served basis.

APPLICABILITY

This Rider is applicable to any Customer receiving Electric Service electing service hereunder who has installed on its Premises an eligible net metering energy resource, as defined in Indiana Code ("IC") 8-1-37-4(a)(1) through IC 8-1-37-4(a)(8), or other renewable energy technologies determined appropriate by the Commission. Customer must meet the Generator System Requirements and Interconnection Requirements specified below.

BILLING

The measurement of net electricity supplied by Company and delivered to Company shall be calculated in the following manner. Company shall measure the difference between the amount of electricity delivered by Company to Customer and the amount of electricity generated by Customer and delivered to Company during the billing period, in accordance with normal metering practices. If the kWh delivered by Company to Customer exceeds the kWh delivered by Customer to Company during the billing period, Customer shall be billed for the kWh difference. If the kWh generated by Customer and delivered to Company exceeds the kWh supplied by Company to Customer during the billing period, Customer shall be billed for zero kWh in the current billing cycle and shall be credited in subsequent billing cycles for the kWh difference. Customer shall remain responsible for all applicable Rates and Charges, including Customer Facilities Charges, and Demand Charges as applicable. When Customer discontinues Net Metering Rider service, any unused credit will revert to Company.

Bill charges and credits will be in accordance with the standard Rate Schedule that would apply if Customer did not participate in this Rider.

METERING

If Customer's standard meter is capable of measuring electricity in both directions, it will be used for purposes of this Rider. If Customer's standard meter is not capable of measuring electricity in both directions, Company will at its expense install metering capable of net metering. For Customers receiving three-phase service Company will install, at Customer's expense, metering capable of net metering. Company's General Terms and Conditions Applicable to Electric Service will govern meter testing procedures.

In addition, Company reserves the right to install, at its own expense, a meter to measure the output of Customer's generator.

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GENERATOR SYSTEM REQUIREMENTS

Customer's generator system must meet the following requirements:

1. The nameplate rating of Customer's generator system must not exceed 1 megawatt ("MW");
2. The generator system must be owned and operated by Customer and must be located on Customer's Premises;
3. Customer's generator system must be intended primarily to offset part or all of Customer's requirements for electricity;
4. The generator system must operate in parallel with Company's distribution facilities; and
5. The generator system must satisfy the Interconnection Requirements specified below.

INTERCONNECTION REQUIREMENTS

1. Customer shall comply and maintain compliance with Company's interconnection requirements and Interconnection Guidelines for Customer Owned Generation (VEC-006). A generator system shall be deemed in compliance with Company's interconnection requirements if such generator system conforms to the most current Indiana Electrical Code, IEEE Standard 1547, has UL or CSA certification that it has satisfied the testing requirements of UL 1741 dated January 28, 2010, or IEEE 1547.1, or any IEEE or UL Standards that supersede these. The net metering facility shall comply with the applicable requirements of 170 IAC 4-4.3.
2. Customer owning and operating a generator system shall provide proof of liability insurance providing coverage for claims resulting from Bodily Injury and/or Property Damage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of a net metering facility, as provided in 170 IAC 4-4.2-8. This coverage must be maintained as long as Customer is interconnected with Company's distribution system.
3. Conformance with these requirements does not convey any liability to Company for injuries or damages arising from the installation or operation of the generator system.
4. Customer shall execute Company's standard Net Metering Interconnection Application form and provide other information reasonably requested by Company for service under this Rider. Company shall require proof of qualified installation, including but not limited to proper configuration of service transformers and grounding requirements, prior to acceptance and completion of the interconnection agreement. Certification by a licensed electrician shall constitute acceptable proof.

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TERMS AND CONDITIONS OF SERVICE

1. Any characteristic of Customer's generator that degrades or otherwise compromises the quality of service provided to other Company Customers will not be permitted. In Company's determination, all generators shall be installed in compliance with corresponding service connection and IEEE Standard 519.
2. Customer shall agree that Company shall at all times have immediate access to Customer's metering, control, and protective equipment.
3. Customer shall install, operate and maintain the net metering facility in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation in parallel with Company's system.
4. Company may, at its own discretion, isolate any net metering facility if Company has reason to believe that continued interconnection with the net metering facility creates or contributes to a system emergency. System emergencies causing discontinuance of interconnection shall be subject to verification at the Commission's discretion.
5. A disconnecting device must be located at the point of common coupling for all Level 2 and 3 interconnections unless Company provides in writing a waiver of that requirement for a Level 2 net metering facility. For three-phase interconnections, the disconnecting device must be gang operated. The disconnecting device must be accessible to Company personnel at all times and be suitable for use by Company as a protective tagging location. The disconnecting device shall have a visible open gap when in the open position and be capable of being locked in the open position. The cost and ownership of the main disconnect switch shall reside with Customer.
6. Customer is responsible for operating the proposed net metering facility such that voltage imbalance attributable to the net metering facility shall not exceed 1% at the point of common coupling. If voltage imbalance is more than 1% without the generator operating, the generator shall be installed and operated so as not contribute to a further imbalance. Voltage imbalance is the maximum phase deviation from average as specified in ANSI C84.1.
7. Company reserves the right to witness compliance testing at the time of installation and maintenance testing of the interconnection system for compliance with these conditions of service.
8. Customer is responsible for establishing a program for and performing periodic scheduled maintenance on the net metering facility's interconnection system (relays, interrupting devices, control schemes and batteries that involve the protection of Company's distribution system). A periodic maintenance program is to be established in accordance with the requirements of IEEE 1547. Company may examine copies of the periodic test reports or inspection logs associated with the periodic maintenance program. Upon Company's request, Company shall be informed of the next scheduled maintenance and be able to witness the maintenance performed and any associated testing.

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9. The interconnection system hardware and software design requirements included in these terms and conditions of service are intended to ensure protection of Company's distribution system. Customer is solely responsible to determine, design and apply any additional hardware and software necessary to protect equipment at the net metering facility.
10. Customer agrees that Company shall not be liable for any damage to or breakdown of Customer's equipment operated in parallel with Company's electric system.
11. Customer shall agree to release, indemnify, and hold harmless Company from any and all claims for injury to persons or damage to property due to or in any way connected with the operation of Customer-owned equipment and/or generators.
12. The supplying of, and billing for service under this Rider shall be governed by Company's General Terms and Conditions Applicable to Electric Service under the jurisdiction of the Commission.