

# **LINCOLN ELECTRIC COOPERATIVE, INC.**

## **POLICY NO. 303**

### **I. SUBJECT: NET METERING - INTERCONNECTION OF CUSTOMER GENERATION FACILITIES OF 1 TO 10 KW**

### **II. OBJECTIVE:**

Lincoln Electric Cooperative recognizes that some members may want to take advantage of alternative on-site generation sources. This policy outlines the means and requirements for interconnection of this generation with the cooperative distribution lines. While this policy primarily addresses interconnection options, it is recognized that a member may generate without interconnecting to the Cooperative lines.

### **III. POLICY CONTENT:**

#### **A. AVAILABILITY and REQUIREMENTS:**

When a member desires to interconnect to the Cooperative's grid the following requirements must be met:

1. A signed interconnection agreement outlining specific terms and conditions with the Cooperative is required.
2. The Generation source shall be renewable including but not limited to wind, solar, geothermal, hydro, biomass or other approved alternative technology such as fuel cells.

#### **B. NET METERING**

Net Metering is defined as the interconnection of member owned generation from a renewable source to Cooperative facilities, in which the generation output of energy not used at the service is netted against the energy delivered by the Cooperative. The Cooperative's intent is to encourage, on a trial basis, the development of customer owned renewable sources of generation by this policy. The Cooperative will monitor the economic effects of the policy and may change it at any time should they find that net metered customers are being unduly subsidized by other members of the Cooperative. Net metering will be allowed within the following guidelines:

- The Cooperative will not purchase energy produced by the member.
- Nameplate generating capacity shall not be less than 1 kW or exceed 10 kW (aggregate of all technologies at a single metered location.)
- Member generation is intended primarily to offset part or all of the member's own electrical requirements at the service.
- The Cooperative will contribute first \$500 of the cost of any special metering required to net meter the installation. Any additional costs for metering will be the customer's responsibility.
- Charges for energy delivered by the Cooperative in excess of the energy flowed back onto the system shall be billed monthly at the energy rate from the applicable rate schedule. Customer generation in excess of monthly usage will be banked\* for use later in the current twelve-month period. At the end of the current period any remaining unused kilowatt-hours credit accumulated during the previous twelve months will be given to the cooperative without any compensation to the member. Net metering customers will be subject to all other terms of the appropriate rate schedule including payment of the monthly Basic Charge even if no energy is billed. If member disconnects with a credit balance, said credits will be forfeited to LEC.

\* Banking is a method of accounting, within an annual billing period, for energy produced for export into the distribution system for later use at that member's service. The annual billing period begins and ends with the Cooperative's April billing cycle.

#### **IV. RESPONSIBILITY:**

##### **A. General Manager**

1. The General Manager will annually review costs to determine the adequacy of fees, special charges and advance payment to insure adequacy according to current conditions. The necessary revision in service rules, regulations, fees, charges and other payments will be studied and developed for review and appropriate action by the Board of Trustees.
2. The General Manager will be responsible for all relationships with agencies to provide for compliance with their orders, regarding electric service and further guidance with other regulatory or lending agencies.

**V. TERMINATION OR REVIEW DATE**

This policy shall be reviewed at the first Board of Trustees' meeting one year after the last revision or review.

**VI. APPROVED:**

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President - Lincoln Electric Cooperative, Inc.

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Secretary - Lincoln Electric Cooperative, Inc.

Approved: July 21, 2003

Amended: September 15, 2003

Amended: June 19, 2006

Attested: s/Ethel A. White, Secretary