

# OVERTON POWER DISTRICT No. 5

615 North Moapa Valley Boulevard  
P O Box 395  
Overton, Nevada 89040-0395

Regulation No. OPD-S-9.100

Date Approved: May 16, 2012

Approved By : \_\_\_\_\_

## OVERTON POWER DISTRICT No. 5 PERSONNEL REGULATION

### NET METERING

#### A. PURPOSE:

The purpose of this regulation is to establish a basis of understanding between Overton Power District No.5 and its Customers relative to net metering. This Policy is created to provide a means for Customers to offset or eliminate their annual power costs and to reduce their carbon foot print.

The District, a non-profit agency, intends to accomplish this purpose without placing additional cost on other Customers or reducing power quality.

#### B. DEFINITIONS

“**Applicant**” means a Customer who requests a net-meter and is in the process of establishing and Interconnection Agreement.

“**Average Energy Cost**” means the average cost per kWh that the District paid to purchase power for the previous calendar year.

“**Customer**” means a Customer of the District who has applied to receive energy and capacity from the District and is connected electrically to the District’s power system with a revenue meter.

“**Customer-Generator**” means a Customer who owns equipment used to generate, manage and monitor electricity on their side of the meter.

“**District**” means Overton Power District No. 5

**“Interconnection Agreement”** means an agreement between a Customer-generator and the District which governs the connection of the Customer-generating facility to the electric distribution system.

**“kW”** means kilowatt, which represents the capacity component of power. One kW equals 1,000 watts.

**“kWh”** means kilowatt-hour, which represents the energy component of power. One kWh equals 1,000 watt-hours.

**“Large Commercial Customer”** means a commercial Customer of the District who receives delivery of energy and capacity utilizing a three phase power system.

**“Net Metering”** is defined as measuring the difference between the electricity supplied by the District through the electric grid to the Customer and the electricity generated by the Customer and fed back onto the electric grid.

**“Policy”** means the District’s Net Metering Policy

**“REC”** means renewable energy credit. REC are also known as renewable energy certificate or “green tag.” A REC is an environmental commodity that is used to represent the value of renewable energy as compared to energy generated by traditional fossil fuels.

**“Renewable Generation”** means any type of renewable resource that is used to generate electrical energy and capacity such as wind, solar, and geothermal generation.

**“Residential Customer”** means a Customer who receives delivery of energy and capacity at their place of residence.

**“Small Commercial Customer”** means a commercial Customer of the District who receives delivery of energy and capacity at their business, utilizing a single phase power system.

## **C. RESIDENTIAL CUSTOMERS**

### **1. District Rebate**

If a Customer installs Customer owned generating equipment in accordance with this policy, the Customer shall be entitled to a one time financial incentive based on the number of watts of power installed. The formula for a residential Customer rebate shall be the number of watts installed, times an assumed generator efficiency of 85%, times \$0.50. The financial incentive shall appear as a credit on the Customer’s power bill and shall be paid in twelve (12) consecutive equal payments over the course of one year No

credit shall be provided in a month where the Customer's generating facilities are inoperable. The rebate shall not exceed \$2,500 for residential Customers.

2. Other Rebates

The Customer may be entitled to other rebates including federal and state rebates. The Customer is responsible to seek out, apply for, and collect such rebates.

3. Excess Energy

The energy (kWh) generated each month in excess of the Customer's usage will be credited to the Customer's account the following month. Accounts shall be reconciled and zeroed at the end of each calendar year. If the electricity generated by the Customer during a calendar year exceeds the amount of electricity supplied by the District, the Customer shall be compensated at the District's average energy cost (per kWh) for the year. The buyback shall not exceed one hundred and fifty (\$150) dollars.

4. Generator Size

The sum total of installed generation for residential Customers shall be limited to a maximum of 10 kW.

Customer generation exceeding 10 kW is permitted only by special contract with the District.

5. Examples

a. Rebate Example

If a residential Customer installs 3,000 watts of Customer generation the District Rebate would be calculated by multiplying 3,000 watts by 85% and by \$0.50. The rebate would be \$1,275.

$$3,000 \text{ watts} \times 0.85 \times \$0.50 = \$1,275$$

b. Excess Energy Buyback Example

If a Customer generator has generated 1,500 kWh of excess energy during the calendar year and the Customer has an average usage of 1,500 kWh per month the excess energy would be purchased by the District. If the District's Average Energy Cost is \$0.05, the excess energy buyback would be calculated by multiplying 1,500 kWh by \$0.05. The buyback would be \$75.

$$1,500 \text{ kWh} \times \$0.05 = \$75$$

## **D. SMALL COMMERCIAL CUSTOMERS**

### 1. District Rebate

If a small commercial Customer installs customer owned generating equipment in accordance with this policy, the Customer shall be entitled to a one time financial incentive based on the number of watts of power installed. The formula for a small commercial Customer rebate shall be number of watts installed, times the assumed generating system efficiency rating of 85%, times \$0.50. The financial incentive shall appear as a credit on the Customer's power bill and shall be paid in twelve (12) consecutive equal payments over the course of one year. No credit shall be provided in a month where the Customer's generating facilities are inoperable. The rebate shall not exceed \$2,500 for small commercial Customers.

### 2. Other Rebates

The Customer may be entitled to other rebates including federal and state rebates. The Customer is responsible to seek out, apply for, and collect such rebates.

### 3. Excess Energy

The energy (kWh) generated each month in excess of the Customer's usage will be credited to the Customer's account the following month. Accounts shall be reconciled and zeroed at the end of each calendar year. If the electricity generated by the Customer during a calendar year exceeds the amount of electricity supplied by the District, the Customer will not be compensated for the energy produced during the year.

### 4. Generator Size

The sum total of installed generation for small commercial Customers shall be limited to a maximum of 10 kW.

Customer generation exceeding 10 kW is permitted only by special contract with the District.

### 5. Example

If a small commercial Customer installs 5,000 watts of Customer generation the rebate would be calculated by multiplying 5,000 watts by 85% by \$0.50. The District's Rebate would be \$2,125.

$$5,000 \text{ watts} \times 0.85 \times \$0.50 = \$2,125$$

## **E. LARGE COMMERCIAL CUSTOMERS**

### 1. District Rebate

If a Customer installs Customer owned generating equipment in accordance with this policy, the Customer shall be entitled to a one time financial incentive based on the number of watts of power installed. The formula for a large commercial Customer rebate

shall be the number of watts installed, times the assumed generating system efficiency of 85%, times \$0.50. The financial incentive shall appear as a credit on the Customer's power bill and shall be paid in twelve (12) consecutive equal payments over the course of one year. No credit shall be provided in a month where the Customer's generating facilities are inoperable. The rebate shall not exceed \$5,000 for large commercial Customers.

2. Other Rebates

The Customer may be entitled to other rebates including federal and state rebates. The Customer is responsible to seek out, apply for, and collect such rebates.

3. Excess Energy

The energy (kWh) generated each month in excess of Customer's usage will be credited to the Customer's account the following month. Accounts shall be reconciled and zeroed at the end of each calendar year. If the electricity generated by the Customer during a calendar year exceeds the amount of electricity supplied by the District, the Customer will not be compensated for excess energy produced during the year.

4. Generator Size

The sum total of installed generation for commercial Customers shall be limited to a maximum of 25 kW.

Customer generation exceeding 25 kW is permitted only by special contract with the District.

5. Example

If a large commercial Customer installs 10,000 watts of Customer generation the rebate would be calculated by multiplying 10,000 watts by 85% by \$0.50. The District's Rebate would be \$4,250.

$$10,000 \text{ watts} \times 0.85 \times \$0.50 = \$4,250$$

**F. CONDITIONS OF ELIGIBILITY**

1. Applicant must be a Customer of the District and must maintain an active account with the District.
2. Applicant must execute an Interconnection Agreement for Net Metering which specifies the terms and conditions of the net metering program.
3. Applicant may install generating capacity equal to their highest monthly usage but the Applicant shall not exceed the sizing guidelines specified herein.

4. Applicant shall operate the generator in parallel with the District's electric distribution system.
5. Customer must purchase commercially available equipment and provide a manual disconnect of the renewable generation within three feet of the meter.
6. The District will accept up to a total of 5,000 kW of renewable generation on its system. Once this maximum level is achieved, the District reserves the right to refuse additional applications.

**G. SIZING GUIDELINES**

1. The sum total of all Customer generation shall be sized to meet the Customer's annual energy requirements.
2. The sum total of all Customer generation shall not exceed the service entrance capacity.
3. The sum total for all residential Customer generation shall be limited to 10 kW.
4. The sum total of all small commercial Customer generation shall not exceed 10 kW.
5. The sum total for large commercial Customer generation shall be limited to 25 kW.
6. Customer generation exceeding 25 kW is permitted only by special contract with the District.

**H. CONDITIONS OF INSTALLATION AND OPERATION**

1. The cost, design, construction, operation and maintenance of the generator and associated facilities shall be the responsibility of the Applicant. Applicant shall insure that the design, construction and operation of the installation complies with all applicable safety and power standards of the National Electric Code (NEC), National Electric Safety Code (NESC), Underwriters Laboratories (UL), and the Institute of Electrical and Electronic Engineers (IEEE). The applicant is responsible to obtain the proper permits and have the Renewable Generation inspected by the appropriate County or City governments. The District will verify that the Renewable Generation has been installed and is operable.
2. Applicant agrees to provide the District access to all facilities, properties, and equipment as may be necessary to enable the District to operate and maintain its respective facilities, equipment and property for purposes in connection with performing its rights and obligations under this Agreement and operating its electric system. The

District shall be allowed to perform a verification of the applicant's installation prior to interconnection to the District's system and to perform periodic verification of applicant's installation after interconnection to the District's system for purposes of reviewing compliance with paragraph 1 above. Upon interconnecting with the District the applicant shall become a Customer-generator. The District reserves the right to disconnect Customer-generator for purposes of protecting its employees, property or the reliability of the electric distribution system.

**3.** The Customer-generator shall be solely liable for any damages, including personal injury, loss of life or property damage associated with the installation, operation and/or any modification of the installation, including claims based on its design, construction, location, maintenance and operation. Customer-generator agrees that the District has no responsibility for the safety of the installation and will fully indemnify the District from any loss, including its costs and attorneys fees, arising from any claim against the District based upon or arising out of this Agreement or the installation and/or operation of said generation.

**4.** The District assumes no liability for personal injury, bodily injury or property damage claimed by any person or party resulting from or arising out of (1) the engineering, design, construction, maintenance, or operation of Customer-generator's installation, or (2) the making of replacements, additions, or betterments to Customer-generator's installation. Customer-generator shall indemnify the District against any and all liability or loss arising out of this Agreement or the installation and/or operation of said generation.

**5.** The Agreement shall not be assigned by either Party without written consent of the other Party except that the District may assign or delegate its rights and obligations under the Agreement, in whole or in part without written consent, if such assignment is required by applicable laws or applicable regulations. If such assignment is made, the District shall notify the Customer-generator of the assignment.

**6.** The term of the Agreement will be effective from the date the District and the Applicant execute the Agreement and will continue thereafter until termination of the Agreement in accordance with the following: (a) At any time the Renewable Generation fails to remain in compliance with the requirements contained in section 3 above, the District may immediately terminate the Agreement, revoking Customer-generator's right to interconnect the Renewable Generation to District's electric distribution system and may take such steps as are necessary to physically disconnect the installation, (b) Applicant may request termination of the Agreement by written notice to the District. The Agreement may be terminated by mutual agreement of Applicant and the District. The District reserves the right to require the Applicant to return to the District, the full monetary value of all District Rebate monies and credits that have been issued to the applicant, before the Agreement is terminated, (c) Agreement will be terminated upon sale or transfer of property where Renewable Generation is installed. New owners will

need to apply for and execute a new Interconnection Agreement.

**7.** Customer-generator hereby transfers to the District all renewable energy credits (“RECs”) derived from the Applicant’s ownership and operation of, or production of energy from the Customer-generator’s installation and any benefits derived from the RECs. RECs are renewable energy credits, offsets, or other benefits allocated, assigned or otherwise awarded or certified to an entity by any governmental authority or as received in connection with Renewable Quotas. “Renewable Quotas” are any laws which impose an obligation on the District to meet a required percentage of its retail load requirement by purchasing or generating electricity derived from renewable energy sources. Upon receipt of any such REC’s, Customer-generator shall promptly use all commercially reasonable efforts to execute all documents, including documents transferring such RECs to the District without further compensation, in order to ensure such RECs are vested in the District. The quantity of RECs transferred to the District shall be the amount of RECs attributable to Customer-generator ownership and operation of, and all energy produced at, the Customer-generator installation.

**8.** This Policy is subject to periodic review and modification by the District’s Board of Directors.