

Lane Electric Cooperative, Inc.
Eugene, Oregon

Policy 311
(Net-Metering Services)

I. Objective

- A. This Policy is offered in compliance with ORS 757.300, as amended by House Bill 3219, dated July 8, 1999.
- B. Net-Metering service is available, on an equal basis, to Lane Electric Cooperative (Cooperative) members who own and operate a Net-Metering Generating Facility (Net-Metering Facility or Facility). Such facilities shall, at a minimum, be:
 - 1) Solar, wind, fuel cell, hydroelectric power, or other resource listed in Oregon Revised Statutes chapter 757.300(1)(d)(A) to generate electrical power.
 - 2) With no limit on nameplate generating capacity.
 - 3) Located on the member's premises.
 - 4) Interconnects and operates in parallel with the Cooperative's existing transmission and distribution system.
 - 5) Intended primarily to offset part or all of the member's own electrical requirements.

II. Definitions

- A. **Avoided Cost:** "Avoided Cost" is the cost for wholesale electric power purchased by the Cooperative. Excess energy generated by Net-Metering Facilities can offset or displace a portion of these wholesale electric power purchases. Consequently, the value of excess energy from a facility is the calculated cost of equivalent wholesale electric power purchases that were offset or displaced (i.e., avoided).
- B. **Bi-directional Metering:** Metering that can measure and record the flow of electrical power in two directions is termed "bi-directional metering". This type of metering is capable of measuring both the electrical power used by members and any excess energy generated by a Facility.
- C. **Net Energy:** Net energy is the difference between electrical energy consumed by the Member/Generator from the Cooperative's electrical supply system and the electrical energy generated by the Member/Generator and fed back into the Cooperative's electrical supply system.
- D. **Excess Energy:** Any electrical energy generated by the Net-Metering Facility that

is surplus to the simultaneous electrical usage of the member is termed “excess energy”. This electrical energy then flows into the Cooperative’s system and displaces wholesale electric power purchases. The Cooperative will credit the customer-generator for the excess kilowatt-hours generated during the billing period in subsequent, serial billing periods, subject to an annual disbursement of unused credits on April 1. The Cooperative acquires ownership of the excess energy and all renewable resource attributes associated with it that may become renewable energy credits (RECs).

- E. **Net-Metering:** “Net-Metering” is the measurement of the difference between the electricity supplied to an eligible member by the Cooperative and the electricity: 1) generated by an eligible member’s Net-Metering Facility, and 2) fed back to the Cooperative over the applicable billing period.
- F. **Net-Metering Facility:** A “Net-Metering Facility” is a generating facility meeting the requirements as outlined in House Bill 3219 (1999).

III. General Provisions For Net-Metering Service

- A. **Start Date:** This service shall be available to members beginning October 23, 2000.
- B. **Interconnection and Net-Metering Service:** The Cooperative shall allow interconnection of Net-Metering Facilities to its system. The Cooperative will install, at its own expense, bi-directional metering in order to provide Net-Metering service to members with Net-Metering Facilities. (Note: The member is responsible for the installation and costs only associated with the meter bases used for normal metering.)
- C. **Interconnection Requirements:** The State Building Codes Division has adopted safety and performance standards for Net-Metering Facilities, including interconnection requirements. However, the interconnection requirements may change over time as the impacts of Net-Metering Facilities are better understood and as nationwide interconnection guidelines are developed. These developing interconnection standards may provide additional safety and performance (e.g., reliability) benefits to the Cooperative’s system. As appropriate, the board of directors of the Cooperative may determine that more stringent interconnection and operating requirements should be imposed for future Net-Metering Facilities. Also, the board of directors of the Cooperative may determine that some or all of the Net-Metering facilities installed prior to the development of these interconnection standards should be required to meet the revised standards. In this event, the total costs (including those costs for the Cooperative) of meeting these revised interconnection requirements will be borne by the respective members.
- D. **Level of Net-Metering Generation:** In order to balance the interests of all Cooperative members, the aggregated level of Net-Metering generation for the Cooperative shall be limited to 1.0% of the historic single-hour system peak load. The Cooperative will honor these requests on a “first come, first served” basis as Net-Metering capacity becomes available under the limit.

- E. **Fees:** A monthly basic charge as identified in Lane Electric's Standard Rate Schedules shall be charged to cover expenses associated with administering the Net-Metering program. The fee is assessed due to direct costs of interconnection and administration of the Cooperative's Net-Metering program outweighing the distribution system, environmental and public policy benefits of allocating such costs among the Cooperative's entire member base, and is exclusive of any net energy billing. The member will be charged for any expenses associated with modifying the Cooperative's system in order to interconnect the Net-Metering Facility.
- F. **Value of Annual Excess Energy Generated:** For the billing cycle ending in March of each year, any remaining unused kilowatt-hour credit accumulated during the previous year shall be valued based upon the cost of wholesale electric power purchased by the Cooperative. The valuation shall include energy charges, capacity charges, and any other applicable charges. The Cooperative may average the energy charges, capacity charges, and any other applicable charge into one rate per kWh and is separately stated in Lane Electric's Rate Schedule GS-1. The value of any excess energy generated shall be credited to the member's account or to the Cooperative's low-income energy assistance program, as determined by the member.

The Cooperative may determine it is appropriate to estimate the time of day excess energy is generated by a Net-Metering Facility, based on the appropriate load profiling model for the respective member.

- G. **Disbursement of Unused Credit:** Annually on April 1, any remaining unused credit from any excess generation shall, at the member-generator's election on the Net-Metering Facility Description/Disclosure, be returned to the member-generator or granted to the Cooperative's low-income energy assistance program. Notwithstanding the foregoing, the first \$599.99 of excess generation shall be subject to the member-generator's election for disbursement and any remainder shall be granted to the Cooperative's low-income energy assistance program.

IV. Monthly Billing for Net-Metering Service

The monthly billing shall be computed in accordance with the applicable standard rate schedule.

V. Special Conditions

- A. If the energy supplied to the Cooperative in a given billing cycle is less than the energy purchased from the Cooperative, the member shall be billed for the appropriate basic charges and shall be charged the prices specified in the Usage Charges section of the applicable standard rate schedule for the net energy purchased from the Cooperative. Refer to Lane Electric's Rate Schedule GS-1.
- B. If the energy supplied to the Cooperative in a given billing cycle is greater than the energy purchased from the Cooperative, the member shall be billed for the

appropriate basic charges and shall be credited for the excess kilowatt-hours generated during the billing period in subsequent, serial billing periods.

- C. In the event the member is disconnected from service, either at the member's request or for non-payment, no credits will be calculated or issued during the period the member is not connected.
- D. The member is responsible for all costs associated with its Facility and is also responsible for costs related to any modifications to the Facility that may be required by the Cooperative for purposes of safety, reliability, and reading meters except the cost of the replacement meter(s). The member is not allowed to supply his/her own meter(s).
- E. Net-Metering Facility installations shall comply with the applicable standards established by the National Electric Code, the National Electric Safety Code, and shall meet all applicable safety and performance standards established in the Oregon State Building Code.
- F. Cooperative approved switching equipment capable of isolating the Net-Metering Facility from the Cooperative's system shall be provided by the member and shall be accessible by the Cooperative employees at all times and may be secured by a Cooperative-supplied padlock. The Cooperative shall also have the right for reasonable cause, with or without notice, to: 1) inspect the Net-Metering Facility, and 2) disconnect the Net-Metering Facility from the Cooperative's system if there is a valid concern about safety, system reliability or system performance. Disconnect and reconnect transaction shall not operate to relieve a member from monthly minimum charges. Once operational, the Cooperative's and OR- OSHA's Lockout, Tag-out procedures must be followed.
- G. The Cooperative shall have the right to adopt future IEEE standards or other future standards that the Cooperative deems necessary to assure system reliability and performance and maintain safety.
- H. The Cooperative shall not be liable directly or indirectly for allowing or continuing to allow an attachment of a Net-Metering Facility, or for the acts or omissions of the member that cause loss or injury, including death, to any third party.
- I. Members are required to sign a Net-Metering Agreement (Exhibit A), and complete a Net-Metering Description & Disclosure (Exhibit B) before receiving Net-Metering service.

VI. Continuing Service

This Policy is based on continuing service at each service location.

VII. Rules and Regulations

Service under this Policy is subject to the General Rules and Regulations of the Cooperative.

VIII. Responsibility

It will be the responsibility of the General Manager to see that the provisions of this policy are carried out.

IX. Review Date

The provisions of this policy should be reviewed at the first Board of Directors meeting two years after last revision or review.

Date Created:	10/23/00	Attested: s/Patricia C. Dymock, Secretary
Date Reviewed:	02/22/16	Attested: s/Hugh Buermann, Secretary
Date Revised:	7/31/17	Attested: s/Kathy Keable, Secretary
Date Revised:	10/22/18	Attested: s/Kathy Keable, Secretary

Exhibit A

Lane Electric Cooperative, Inc.

Policy 311

(Net-Metering Services)

NET-METERING AGREEMENT

This Agreement dated and effective this ____ day of _____, 20__ by and between Lane Electric Cooperative (Cooperative) and _____ (Member/Generator).

Whereas the Cooperative is required by law to provide Net-Metering services to Member-Generator;

Whereas Member/Generator wishes to sell, and the Cooperative agrees to purchase, energy produced by the approved Net-Metering Facility on the following terms and conditions:

Now, therefore, the parties agree:

- 1. Net-Metering Facility:** Member/Generator's Net-Metering Facility shall mean the generating Facility described in Exhibit B. This Facility shall employ solar, wind, fuel cell, hydroelectric, or other power generation listed in Oregon Revised Statutes chapter 757.300(1)(d)(A) with no limit on a maximum output capacity. This Facility shall be located on the Member/Generator's premises and will interconnect and operate in parallel with the Cooperative's electric power supply system. The operation of the Net-Metering Facility is intended primarily to offset part or all of member-generator's own electrical requirements presently supplied by the Cooperative. Member/Generator shall be responsible for the design, installation and operation of the Net-Metering Facility and shall obtain and maintain all required permits and approvals, including that of the Cooperative. Any modifications to the Net-Metering Facility, including installation of replacement facility or parts can only be made following the written approval of the Cooperative.
- 2. Term:** This agreement shall commence on the date established above and terminate with any change in ownership of the Facility or by written agreement, signed by both parties, or a change in law eliminating the requirement that the Cooperative provide Net-Metering services to its members who qualify for the service, or failure of the Member/Generator to abide by the terms of this agreement.
- 3. Net Energy:** Net energy is the difference between electrical energy consumed by the Member/Generator from the Cooperative's electrical supply system and the electrical energy generated by the Member/Generator and fed back into the Cooperative's electrical supply system. The Cooperative acquires ownership of the excess energy and all renewable resource attributes associated with it that may become renewable energy credits (RECs).

4. **Excess Energy:** Any electrical energy generated by the Net-Metering Facility that is surplus to the simultaneous electrical usage of the member is termed “excess energy”. This electrical energy then flows into the Cooperative’s system and displaces wholesale electric power purchases. The Cooperative acquires ownership of the excess energy and all renewable resource attributes associated with it that may become renewable energy credits (RECs).
5. **Measurement of Net Energy:** Bi-directional metering equipment shall be installed by the Cooperative at its expense to measure the flow of electrical energy in each direction. This equipment shall be used only to provide information necessary to accurately bill or credit the Member/Generator or to collect electric generating system performance information for research purposes.
6. **Price and Payment Methodology:** All electric service provided to the Member/Generator by the Cooperative shall be billed pursuant to the Cooperative’s appropriate rate schedule. Credits for the excess energy flowing into the Cooperative’s electrical supply system shall be credited for the excess kilowatt-hours generated during the billing period in subsequent, serial billing periods, subject to an annual disbursement of unused credits on April 1 as provided for in Section III of Policy 311 (Net Metering Services).

In the event the member is disconnected from service, either at the member’s request or for non-payment, no credits will be calculated or issued during the period the member is not connected.

7. **Interconnection:** Member/Generator shall provide the electrical interconnection on its side of the meter between its Facility and the Cooperative’s system. At Member/Generator’s expense, the Cooperative shall make reasonable modifications to the Cooperative’s system necessary to accommodate the Net-Metering Facility. The cost for such modifications shall be at the Cooperative’s actual cost, due and payable in advance of installation. The Net-Metering Facility shall include, at Member/Generator’s expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the Cooperative’s policies, the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronic Engineers, the Oregon State Building Code and Underwriters Laboratories. Member/Generator shall not commence parallel operation of the Net-Metering Facility until the Cooperative has inspected the facility, including all interconnection equipment, and issued written approval for its operation.
8. **Operational Standards:** Member/Generator shall furnish, install, operate and maintain in good order and repair, all without cost to the Cooperative, all equipment required for the safe operation of the Net-Metering Facility operating in parallel with the Cooperative’s electrical supply system. This shall include, but not be limited to, equipment necessary to:
 - a. establish and maintain automatic synchronism with the Cooperative’s electric supply system and
 - b. automatically disconnect the Net-Metering Facility from the Cooperative’s electrical supply system in the event of overload or outage on the Cooperative’s electrical supply system. The Net-Metering Facility shall be designed to operate within allowable operating standards for the Cooperative’s electrical supply system. The Net-Metering

Facility shall not cause any adverse effects upon the quality or reliability of service provided to the Cooperative's other members. The Member/Generator shall operate its Net-Metering Facility in accordance with OR-OSHA rules and regulations as determined in the Cooperative's sole discretion.

9. Disconnection: At a minimum, the Applicant and Facility must meet the following requirements:

- a. For solar electric facilities larger than 10 kW in nameplate capacity, the Facility shall have a manual disconnect switch that is clearly visible from the meter and is accessible by the Applicant and the Cooperative at all times. The switch shall provide a visible open between the Facility and the Cooperative's source. The manual disconnect switch shall be lockable in only the open position.
- b. The Facility's protective devices at the service panel shall be marked to indicate power source and connection to the Cooperative's system.
- c. The Applicant shall assume full responsibility for all maintenance of the protective equipment. Maintenance records shall be available to the Cooperative for inspection upon request.
- d. The Facility's protective equipment shall automatically disconnect the Facility from the Cooperative's system in the event of operating anomalies on the Cooperative's system, including but not limited to outages, loss of one or more phases, and/or voltage or frequency fluctuations beyond 10% of nominal. The Facility shall not reconnect until normal operating conditions have been restored for at least five (5) minutes continuously. At the Cooperative's option, the Cooperative may manually disconnect and/or restore the power generation.
- e. Additional requirements as set forth in any separate contract, Cooperative policy or otherwise required by law.
- f. The Facility may not be brought on-line until the Cooperative has inspected and provided written approval of the interconnection facilities. The Cooperative shall have the right to have representatives present at the initial testing of the Applicant's protective apparatus and to periodically inspect the Facility to ensure that appropriate safety standards continue to be met.

10. Installation and Maintenance: Except for the bi-directional metering equipment owned and maintained by the Cooperative, all equipment on Member/Generator's side of the delivery point, including the required disconnecting switch, shall be provided and maintained in satisfactory operating condition by Member/Generator, and shall remain the property and responsibility of the Member/Generator. The Cooperative shall bear no liability for Member/Generator's equipment or for the consequences of its operation.

11. Indemnity and Liability: Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorney's fees) for injury or death to persons, including employees of either Party, and damage to property, including property of either

Party, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the indemnitor's facilities, or (b) the making of replacements, additions, improvements or reconstruction of the indemnitor's facilities provided, however, Member/Generator's duty to indemnify the Cooperative hereunder shall not extend to direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense resulting from interruptions in electrical service to the Cooperative's members other than Member/Generator in the Cooperative's sole judgment.

- 12. Fees:** Member/Generator shall pay a basic charge as identified on Lane Electric's Rate Schedule GS-1 to cover its share of the administrative cost of the Net-Metering program; the fee shall be billed and paid for at the time payment for electrical service is due. The basic charge is exclusive of any net energy billing credit.
- 13. Pre-Operation Inspection:** Prior to interconnection and operation, Member/Generator shall cause the Net-Metering Facility and associated interconnection and disconnection equipment to be inspected and approved by the Cooperative as well as the state electrical inspector and by any other governmental authority having jurisdiction, and proof of such inspection and approval shall be furnished to the Cooperative.
- 14. Access:** Authorized Cooperative employees shall have the right to enter the Member/Generator's property, with or without notice, for the purpose of inspecting and/or testing the interconnection, disconnecting device and bi-directional metering equipment in order to insure proper operations and compliance with applicable regulations. The Cooperative shall exercise this right in a reasonable manner. This provision does not create a duty on the part of the Cooperative to inspect and/or test the Member/Generator's Facility and the Member/Generator shall remain entirely responsible and obligated, as provided herein, for the proper operation of such Facility.
- 15. Litigation Expense:** In the event of commencement of any suit, action or other proceeding to enforce performance of this Agreement, or to collect damages for its breach, or to enforce Cooperative's rights relating to any issue peculiar to federal bankruptcy law, the prevailing party agrees to pay to the other party, whether or not the matter proceeds to final judgment or decree, in addition to costs and disbursements allowed by law, such sum as the court, arbitrator or other adjudicator may judge reasonable as an award of attorney fees in such suit, action or other proceeding, or in any appeal therefrom. Such sum shall include an amount estimated by the court, arbitrator or adjudicator, as the reasonable costs and fees to be incurred by the party in collecting any monetary judgment or award or otherwise enforcing such award, order, judgment or decree entered in such suit, action or other proceeding, and to collect or realize on any such award, order, or judgment.

In witness whereof, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the latter of the two dates set forth below:

MEMBER/GENERATOR:

LANE ELECTRIC COOPERATIVE:

Name (Please Print)

Debora D. Wilson, General Manager

Signature

Date

Signature

Date

Exhibit B

Lane Electric Cooperative, Inc.

Policy 311
(Net-Metering Services)

NET-METERING FACILITY DESCRIPTION/DISCLOSURE
(Please type or print)

Section 1. Member/Generator Information

Name: _____

Mailing Address: _____

Street Address: _____
(If different than above)

Daytime Phone No: _____ Evening Phone No.: _____

Lane Electric Account Number (from utility bill): _____

Section 2. Net-Metering Facility Information

System Type (Check Box): Solar Wind Fuel Cell Hydroelectric

Generator Size (Nameplate kilowatt rating): _____

Inverter Manufacturer: _____ Inverter Model No.: _____

Inverter Serial No.: _____ Inverter Power Rating: _____

Inverter Location: _____

Estimated Annual Power Production (kilowatt-hours): _____

Section 3. Installation Information

Licensed Electrician: _____ Oregon Contractor No.: _____

Mailing Address: _____

Daytime Phone No.: _____ Projected In-Service Date: _____

Section 4. Disposition of Excess Generation Credit (Check one)

To Member/Generator: Initial

To Lane Electric Cooperative's low-income energy assistance program: Initial

Section 5. Certification(s)

1. (If an inverter is used) The Net-Metering Facility's inverter meets the requirements of IEEE 929, Recommended Practice for Utility Interface of Photovoltaic (PV) Systems and Underwriters Laboratories (UL) Subject 1741, Standard for Static Inverters and Charge Controllers for Use in Photovoltaic Power Systems; and the National Electric Code (NEC), Article 690 (for Photovoltaic Power Systems) and Article 705.

Equipment Vendor/Company (Please print): _____

Equipment Installer (Please Print): _____

Signature of Installer

Date

2. The system has been installed to my satisfaction and I have been given system warranty information and an operations manual. I have been instructed regarding the proper operation of the Net-Metering Facility and associated equipment. Also, the installation has received approval and certification from the Oregon Building Codes Division.

Signature of Member/Generator

Date

#

EXAMPLE Billing Calculations

Energy Supplied to the Cooperative is <i>Less Than</i> the Energy Purchased			
Basic Charge			\$ 28.50
	Rate	KWhs	
Usage Charge		1,000	
Generation Credit		<u>900</u>	
Net Charge	\$ 0.0881	100	<u>\$ 8.81</u>
Current Month Charges			<u>\$ 37.31</u>
<i>\$28.50 minimum monthly charge. Unused kilowatt hours carry forward to offset future kilowatt-hours.</i>			

Energy Supplied to the Cooperative is <i>Equal To</i> the Energy Purchased			
Basic Charge			\$ 28.50
	Rate	KWhs	
Usage Charge		1,000	
Generation Credit		<u>1,000</u>	
Net Charge	\$ 0.0881	-	<u>\$ 0.00</u>
Current Month Charges			<u>\$ 28.50</u>
<i>\$28.50 minimum monthly charge. Unused kilowatt hours carry forward to offset future kilowatt-hours.</i>			

Energy Supplied to the Cooperative is <i>More Than</i> the Energy Purchased			
Basic Charge			\$ 28.50
	Rate	KWhs	
Usage Charge		1,000	
Generation Credit		<u>1,100</u>	
Net Charge	\$ 0.0881	(100)	<u>\$ 0.00</u>
Current Month Charges			<u>\$ 28.50</u>
<i>\$28.50 minimum monthly charge. Unused kilowatt hours carry forward to offset future kilowatt-hours.</i>			

The above calculations are for example purposes only and may not reflect current rates.