

COWETA-FAYETTE ELECTRIC MEMBERSHIP CORPORATION

NET ENERGY METERING RIDER Schedule NEM-2

A. PURPOSE

The purpose of this rider is to establish the methods and procedures for determining credits, payments, and charges applicable to members of the Cooperative who own and operate a distributed generation facility as defined in the Cooperative's Distributed Generation Facility Policy.

B. APPLICABILITY

This rider applies to any member of the Cooperative owning and operating a distributed generation facility as defined in the Cooperative's Distributed Generation Facility Policy. The capacity of a distributed generation facilities used by residential customers shall not exceed 10 kW and the capacity of a distributed generation facility used by a non-residential customer shall not exceed 100 kW. The Cooperative will only be required to purchase energy as specified in Code Section 46-3-55 from an eligible customer generator on a first-come, first-served basis until the cumulative generating capacity of all renewable energy sources equals 0.2 percent of the utility's annual peak demand in the previous year.

C. DEFINITIONS

The following words and terms shall have the following meanings unless the context clearly indicates otherwise:

1. "Billing period" means, as to a particular customer, the period between the dates on which the Cooperative normally reads the retail service meter for billing purposes.
2. "Bi-directional meter" is a meter capable of measuring (but not necessarily displaying) electricity flow in both directions.
3. "Bi-directional metering" means measuring the amount of electricity supplied by the Cooperative and the amount fed back to the Cooperative by the customer's distributed generation facility using a single meter.
4. "Customer Generator" means the owner and operator of a distributed generation facility.
5. "Distributed generation facility" means a facility owned and operated by a customer of the Cooperative to produce electrical energy that:

- a. Uses a solar Photovoltaic system, fuel cell, or wind turbine.
 - b. Has peak generating capacity of not more than 10 kW for a residential application and 100 kW for a commercial application.
 - c. Is located on the customer's premises.
 - d. Operates in parallel with the Cooperative's distribution facilities.
 - e. Is connected to the Cooperative's distribution system on either side of the Cooperative's retail service meter; and
 - f. Is intended primarily to offset part or all the customer generator's requirements for electricity.
6. "Excess net energy" is the difference between the electricity generated by the customer's distributed generation facility and the electricity supplied by the customer's distributed generation facility during the billing period. The metered energy flowing back to the Cooperative is considered excess net energy. It is defined as "excess" because it is not consumed by the member.
7. "Net metering customer" means a customer generator receiving net metering service.
8. "Net metering" means the act of measuring the energy, over the billing period, between electricity supplied to a net metering customer from the electric grid and the electricity generated and fed into the electric grid by the net metering customer, using a single bi-directional meter or an additional single direction meter.
9. "Renewable Energy Sources" means energy supplied from technologies as approved in the Georgia Green Pricing Accreditation Program.

D. CONDITIONS OF SERVICE

1. There must be a written Net Metering and Interconnection Agreement with the customer.
2. The customer must have met all the conditions of interconnection contained in the Distributed Generation Facilities and Net Metering Policy.

E. TYPES OF NET METERING

Net Metering will be accomplished using bi-directional metering for distributed generation facilities interconnected on the net metering customer's side of the retail service meter or single directional metering for distributed generation facilities interconnected with the Cooperative's distribution system on the Cooperative's side of the retail service meter.

F. DISPOSITION OF ENERGY

If the electricity consumed by the net metering customer during the billing period

exceeds the electricity generated by the customer's distributed generation facility during the billing period, then all electricity generated by the customer generation shall be deemed to have been used by the net metering customer. This results in no metered energy flowing back to the Cooperative. When the electricity generated by the customer's distributed generation facility during the billing period exceeds the electricity consumed by the customer this energy is deemed excess net energy. Energy as registered by the bidirectional meter as flowing back to the Cooperative shall be purchased by the Cooperative at rates as provided under the Purchase Rate section of this Rider.

G. RATES AND CHARGES FOR NET METERING SERVICE

Each net metering customer shall be charged for electric service under that rate schedule which would otherwise be applicable if the customer was not a net metering customer for all energy supplied to the customer during the billing period. In addition, each net metering customer shall pay a monthly service charge based upon the direct costs to the Cooperative associated with interconnecting the customer's distributed generation facility and with the provision of and administration of net metering services. Said monthly service charge shall include the following:

1. A facilities charge based on the total cost of all facilities installed by the Cooperative, including transformers, protective devices, controls and monitoring equipment times, the Cooperative's monthly Fixed Charge Rate.
2. A facilities charge based on the total incremental cost of metering equipment times the Cooperative's monthly Fixed Charge Rate.
3. \$4.00 per month administrative charge.

H. PURCHASE RATE

The rates paid for net energy purchased by the Cooperative shall be based upon the Cooperative's average annual avoided cost of energy. The average annual avoided cost of energy shall be determined in December and applied to qualified net metering customers. The avoided cost for energy shall be applied as follows:

January – December \$.03960 per kWh

The rates as quoted herein may be adjusted at any time at the sole discretion of the Cooperative, to reflect the prevailing avoided cost of energy.

I. FIXED CHARGE RATE

The Fixed Charge Rate of the Cooperative shall be a percentage factor that includes components for the recovery of operations and maintenance expense, administrative and general expense, taxes, depreciation, and the cost of capital which are all associated with owning and operating the utility plant necessary for interconnection and for the

provision of Net Metering pursuant to this Rider. The Fixed Charge Rate may be modified at any time by the Cooperative to reflect prevailing costs.

J. TERM OF SERVICE

The term of service under this rider shall be the same as that under the Net Metering and Interconnection Agreement.

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