

**Piedmont Municipal Power Agency**  
**Net Billing Policy**  
**Regarding Customer-owned Renewable Generation**

**Effective August 17, 2017**

**Section 1. Establishment of Net Billing Program**

1.01. A Piedmont Municipal Power Agency (“PMPA”) Participant may establish a Net Billing Program in accordance with this Net Billing Policy (this “Policy”). Participant may offer Net Billing to eligible customers who intend to operate Customer-owned Renewable Generation in parallel with Participant’s electric distribution system that is primarily intended to offset all or part of the customer’s electric consumption at the specific site where the Customer-owned Renewable Generation is installed. Participant may interconnect with, and allow net billing of, eligible Customer-owned Renewable Generation in accordance with this Policy.

1.02. Eligible customers must operate their Customer-owned Renewable Generation in parallel with Participant’s electric distribution system and shall provide as-available generation to Participant at the point of interconnection. Before beginning parallel operations, customers must enter into (1) the Tri-Party Net Billing Power Purchase Agreement, a copy of which is attached to this Policy as Appendix A and (B) Utility’s Standard Interconnection Agreement for Customer-Owned Renewable Generation, a sample of which is attached to this Policy as Appendix B.

1.03. “Customer-owned Renewable Generation” or “CRG” means an electric generating system located on a customer’s premises that is primarily intended to offset part or all of the Participant’s retail customer’s electricity requirements with renewable energy that is generated using one or more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, waste heat, or hydroelectric power.

**Section 2. Customer Metering**

2.01. Participant shall cause to be installed, at no cost to PMPA, metering equipment at the point of delivery capable of recording two separate meter readings: (1) the flow of electricity from Participant to the customer and (2) the flow of excess electricity from the customer to Participant. Participant shall take meter readings on the same cycle as the otherwise applicable rate schedule and provide those meter readings to PMPA in a mutually agreeable format.

2.02 The metering equipment furnished and the method for communicating with the meter(s) shall be specified and approved by PMPA. Metering equipment and its corresponding communications shall be installed and maintained in a manner that provides reliable and accurate data. Participant shall provide PMPA a schematic for the initial connection of the metering equipment and all subsequent modifications thereto. Such connection plans shall be subject to PMPA’s approval.

### **Section 3. Customer Billing and Crediting**

3.01. Pursuant to the Supplemental Power Sales Agreement between Participant and PMPA, dated as of August 1, 1980, (the “SPSA”), Participant has contractually agreed to purchase from PMPA, and PMPA has agreed to sell to Participant, All Requirements Bulk Power Supply, as defined in the SPSA. Therefore, Participant may not directly purchase excess CRG supplied to Participant’s electric distribution system. However, in order to promote the development of small CRG, PMPA has developed this Policy, pursuant to which PMPA will purchase excess customer-owned renewable generation from eligible Participant’s customers that take part in Participant’s Net Billing program and are interconnected to Participant’s electric system.

3.02. CRG shall first be used for the customer’s own load and shall offset customer’s demand for electricity from Participant. Excess CRG that is not used for customer’s load shall be delivered to Participant’s electric distribution system. Excess CRG delivered to Participant’s electric distribution system shall be recorded separately from electricity delivered to customer from Participant. Customer shall be charged for electricity delivered to customer by Participant in accordance with the otherwise applicable retail rate schedule. Excess CRG shall be credited by Participant on customer’s monthly electricity consumption bill at a rate determined by PMPA, which shall be calculated in accordance with Appendix C, which is attached to this Policy and which shall be adjusted from time to time by PMPA.

3.03. Participant may, in its sole discretion and at its sole cost and expense, offer its Net Billing customers a renewable production incentive for excess kilowatt-hours generated by the CRG and delivered to Participant’s electric distribution system.

### **Section 4. Participant Billing and Crediting**

4.01. Based on the meter readings supplied by Participant, PMPA shall calculate the total kilowatt-hours of all excess CRG that is delivered to Participant’s electric distribution system for the previous month. PMPA shall purchase such kilowatt-hours of CRG in the form of a credit on Participant’s monthly all-requirements power bill rendered pursuant to the SPSA. This process and rate calculation are more fully described in Appendix C.

4.02. PMPA shall not reimburse Participant for any renewable production incentives provided by Participant to its Net Billing customers in accordance with Section 3.03.

4.03. Excess CRG that has been purchased by PMPA pursuant to Section 4.01 will remain on Participant’s electric system and is to be used by Participant to meet the electricity needs of its other customers. Therefore, as part of a monthly billing adjustment, excess CRG will be reflected on Participant’s monthly all-requirements power bill, as more fully described in Appendix C.

### **Section 5. Program Administration**

5.01. Participant shall be responsible for developing and administering an application process for interconnection and Net Billing of CRG in accordance with this Policy. Participant shall be responsible for ensuring the necessary metering equipment as well as conducting the appropriate inspections of CRG systems.

5.02. As a condition of providing and receiving Net Billing service, Participant and eligible customers shall be required to execute the Tri-Party Net Billing Power Purchase Agreement. The Tri-Party Net Billing Power Purchase Agreement shall set forth the terms and conditions of PMPA's purchase of excess energy from interconnected renewable generators in accordance with this Policy.

5.03. Participant shall develop and administer a separate agreement between Participant and customer setting forth the terms and conditions for interconnection and net billing of CRG that are consistent with this Policy.

5.04. Participant shall be responsible for collecting the necessary information and making the required annual filings, if any, with all jurisdictional state and federal agencies.

## **Section 6. Limit on Enrollment and Size of Installation**

6.01. Each Participant may offer Net Billing service to CRG customers under this Policy on a first-come first-served basis until the time that the total rated generating capacity used by eligible customer-owned renewable generators exceeds 2.0% of the Participant's aggregate customer peak demand.

6.02. CRG systems shall not exceed 20 kW for a residential customer and shall not, for a non-residential customer, exceed 1000kW or contract demand, whichever is less.

## **Section 7. Green Attributes/Renewable Energy Certificates**

7.01. PMPA and Participant shall negotiate with Net Billing customers for the right to all Green Attributes associated with the CRG that is interconnected to Participant's electric distribution system. The term Green Attributes shall include any and all credits, certificates, benefits, environmental attributes, emissions reductions, offsets, and allowances, however entitled, to the generation of electricity from the CRG and its displacement of conventional energy generation.

## Appendix A

### Tri-Party Net Billing Power Purchase Agreement

This Tri-Party Net Billing Power Purchase Agreement (“Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Piedmont Municipal Power Agency (hereinafter “PMPA”), a body politic and corporate of the State of South Carolina, [UTILITY], [a....describe entity type] (hereinafter “Utility”), and \_\_\_\_\_, a retail electric customer of Utility (hereinafter “Customer”).

#### Section 1. Recitals

1.01. Whereas, Utility and Customer have executed Utility’s Standard Interconnection Agreement for Small Customer-Owned Renewable Generation Services pursuant to which Utility has agreed to permit interconnection of Customer’s renewable generation to Utility’s electric system at Customer’s presently-metered location, and Customer has agreed to deliver excess electric energy generated by Customer’s renewable generation system to Utility’s electric distribution system;

1.02. Whereas, Utility and PMPA have entered into a Supplemental Power Sales Agreement, dated as of August 1, 1980, (hereinafter the “SPSA”) pursuant to which Utility has agreed to purchase and receive, and PMPA has agreed to sell and supply All Requirements Bulk Power Supply, as defined in the SPSA, which limits Utility’s ability to directly purchase excess energy from customer-owned renewable generation;

1.03. Whereas, in order to promote the development of small customer-owned renewable generation by permitting Utility to allow its customers to interconnect with Utility’s electric system and to allow Utility customers to offset their electric consumption with customer-owned renewable generation, PMPA has agreed to purchase excess customer-owned renewable generation from Utility customers interconnected to Utility’s electric system in accordance with the terms and conditions of this Agreement;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the Parties covenant and agree as follows:

#### Section 2. Interconnection

2.01. Customer shall not begin parallel operations with Utility’s electric distribution system until Customer has executed Utility’s Standard Interconnection Agreement for Small Customer-Owned Renewable Generation and is in compliance with all terms and conditions therein. Utility shall be responsible for ensuring the customer-owned renewable generation is installed and operated in accordance with all applicable safety codes and standards. Utility shall establish and enforce terms and conditions of operation and disconnection of all interconnected customer-owned renewable generation.

### **Section 3. Metering**

3.01 In accordance with Utility's Standard Interconnection Agreement for Small Customer-Owned Renewable Generation and in accordance with PMPA's Net Billing Policy, Utility shall install metering equipment at the point of delivery capable of recording two separate meter readings: (1) the flow of electricity from Utility to the Customer and (2) the flow of excess electricity from the Customer to Utility. Utility shall take meter readings on the same cycle as the otherwise applicable rate schedule and provide those meter readings to PMPA in a mutually agreeable format.

3.02 The metering equipment furnished and the method for communicating with the meter(s) shall be specified and approved by PMPA. Metering equipment and its corresponding communications shall be installed and maintained in a manner that provides reliable and accurate data. Utility shall provide PMPA a schematic for the initial connection of the metering equipment and all subsequent modifications thereto. Such connection plans shall be subject to PMPA's approval.

### **Section 4. Purchase of Excess Customer-Owned Renewable Generation**

4.01. Customer-owned renewable generation shall be first used for Customer's own load and shall offset Customer's demand for electricity from the Utility. All electric power and energy delivered by Utility to Customer shall be received and paid for by Customer pursuant to the terms, conditions and rates of the Utility's applicable rate schedules.

4.02. Excess customer-owned renewable generation shall be delivered to the Utility's electric distribution system. For purposes of this Agreement, the term "excess customer-owned renewable generation" means any kilowatt-hours of electrical energy produced by the customer-owned renewable generation system that is not consumed by Customer and is delivered to Utility's electric distribution system. PMPA agrees to purchase and receive, and Customer agrees to sell and deliver, all excess customer-owned renewable generation at the energy rate established by PMPA, which shall be calculated in accordance with Schedule A. Excess customer-owned renewable generation shall be billed in the form of a credit on Customer's monthly electricity consumption bill from Utility.

4.03. In the event that a given monthly credit for excess customer-owned renewable generation exceeds the total billed amount for Customer's consumption in any corresponding month, then the excess credit shall be applied to the subsequent month's bill. Excess energy credits so produced shall accumulate and be used to offset Customer's energy consumption bill for a period of not more than twelve (12) months. At the end of each calendar year, unused excess credits shall be paid by Utility to the Customer.

4.04. PMPA and Utility shall not be required to purchase or receive excess customer-owned renewable generation and may require Customer to interrupt or reduce production of

customer-owned renewable generation (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any Utility equipment or part of the Utility electric system or (b) if either PMPA or Utility determines, in its sole judgment, that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with any applicable electric code or standard.

## **Section 5. Renewable Energy Credits**

5.01. Customer shall offer PMPA and/or Utility a first right of refusal before selling or granting to any third party the right to the Green Attributes associated with its customer-owned renewable generation that is interconnected to Utility's electric distribution system. The term Green Attributes shall include any and all credits, certificates, benefits, environmental attributes, emissions reductions, offsets, and allowances, however entitled, attributable to the generation of electricity from the customer owned-renewable generation and its displacement of conventional energy generation.

5.02. Any additional meter(s) installed to measure total renewable electricity generated by the Customer for the purposes of measuring Green Attributes, including any renewable energy certificates (or similarly titled credits for renewable energy generated), shall be installed at the expense of the Customer, unless the Parties determine otherwise during negotiations for the sale of the Customer's credits to PMPA and/or Utility.

## **Section 6. Term and Termination**

6.01. This Agreement shall become effective upon execution by all Parties, and shall remain in effect thereafter on a month-to-month basis until terminated by any Party upon thirty (30) days written notice to all other Parties.

6.02. This Agreement shall terminate immediately and without notice upon: (a) termination of the electric distribution service by Utility to Customer or (b) failure by Customer to comply with any of the terms and conditions of this Agreement or Utility's Standard Interconnection Agreement for Small Customer-Owned Renewable Generation.

## **Section 7. Miscellaneous Provisions**

7.01. Assignment. It is understood and agreed that no Party may transfer, sell, mortgage, pledge, hypothecate, convey, designate, or otherwise assign this Agreement, or any interest herein or any rights or obligations hereunder, in whole or in part, either voluntarily or by operation of law, (including, without limitation, by merger, consolidation, or otherwise), without the express written consent of the other Parties, which consent shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and permitted assigns.

7.02. Customer's Indemnification of PMPA and Utility. To the fullest extent permitted by laws and regulations, Customer shall defend, indemnify, and hold harmless PMPA and Utility,

their officers, directors, agents, guests, invitees, and employees from and against all claims, damages, losses to persons or property, whether direct, indirect, or consequential (including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs) arising out of, resulting from, occasioned by, or otherwise caused by the operation, failure of operation, or improper operation of the CRG, or the acts or omissions of any other person or organization directly or indirectly employed by the Customer to install, furnish, repair, replace or maintain the customer-owned renewable generation system, or anyone for whose acts any of them may be liable.

7.03. Indemnification of PMPA by Utility. In the event that the provisions of section 7.02 are insufficient to indemnify and hold PMPA harmless, then, to the fullest extent permitted by laws and regulations, Utility shall defend, indemnify, and hold harmless PMPA, its officers, directors, agents, guests, invitees, and employees from and against all claims, damages, losses to persons or property, whether direct, indirect, or consequential (including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs) arising out of, resulting from, occasioned by, or otherwise caused by the operation or misoperation of the customer-owned renewable generation, or the acts or omissions of any other person or organization directly or indirectly employed by the Utility to install, furnish, repair, replace or maintain the customer-owned renewable generation system, or anyone for whose acts any of them may be liable.

7.04. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the Parties shall be governed and construed in accordance with the laws of the State of South Carolina without regard for any conflicts of law provisions that might cause the law of other jurisdictions to apply.

7.05. Enforcement of Agreement. In the event that any Party is required to enforce this Agreement by court proceedings or otherwise, the prevailing Party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, and/or appellate proceedings.

7.06. Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

7.07. Third Party Beneficiaries. This Agreement is solely for the benefit of PMPA, Utility, and Customer, and no right nor any cause of action shall accrue upon, or by reason of, to or for the benefit of, any additional party not a signatory Party to this Agreement. Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person or corporation other than PMPA, Utility, or Customer, any right, remedy, or claim under, or by reason of, this Agreement or any of the provisions or conditions of this Agreement; and, all provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of, and be binding upon, PMPA, Utility, and Customer and their respective representatives, successors, and assigns.

IN WITNESS WHEREOF, PMPA, Customer, and Utility have executed this Agreement as of the day and year first above written.

**<UTILITY NAME>**

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PIEDMONT MUNICIPAL POWER AGENCY**

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CUSTOMER**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Customer Account Number)

Date: \_\_\_\_\_



## SCHEDULE A

### NET BILLING RATE SCHEDULE

Effective August 20, 2020

#### I. Definitions

On-Peak Hours: During the months of June through September, On-Peak Hours are from 1:00 p.m. to 9:00 p.m., Monday through Friday. During the months of October through May, On-Peak Hours are from 6:00 a.m. to 1:00 p.m., Monday through Friday.

Off-Peak Hours: Off-Peak Hours are all hours that are not On-Peak Hours, including every hour on Saturday and Sunday.

#### II. Applicability

This schedule is applicable to any Utility (a PMPA Participant) that has met the conditions of the Net Billing Policy.

#### III. Rates for Energy Credits For Energy Supplied by Customer

Available Rates through December 31, 2020:

(1) On-Peak Energy	4.244 ¢/kWh
(2) Off-Peak Energy	2.755 ¢/kWh

As of January 1, 2021, the following Rates will be in effect:

(1) On-Peak Energy	3.874 ¢/kWh
(2) Off-Peak Energy	2.168 ¢/kWh

Any new agreements signed will be subject to the then applicable Rates in effect and are subject to change at a future date.

#### IV. Rate Adjustments

The Energy Credits provided from PMPA to its Utilities are credited at an avoided cost for energy exported to the grid by the Utilities' Customers. From time to time, PMPA may change the Rates for Energy Credits in effect due to changing wholesale costs. If a change occurs, PMPA will notify its Utilities of the change and when the new effective date will occur. The Utility will be responsible for notifying its Customers.

The Energy Credits in effect are merely minimums that Utilities must pass on to their Customers. Any Utility may elect to increase the credits provided to each Customer.

## Appendix B

### Standard Interconnection Agreement for Customer-Owned Renewable Generation System <Size>

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between \_\_\_\_\_, (hereinafter called "Customer"), located at \_\_\_\_\_ in \_\_\_\_\_, South Carolina, and <Name of Utility> (hereafter called "Utility"), a <describe utility>. Customer and Utility shall collectively be called the "Parties". The physical location/premise where the interconnection is taking place is: \_\_\_\_\_.

#### WITNESSETH

**Whereas**, Utility, operates an electric distribution system serving [describe Utility service area];

**Whereas**, Customer has made a written Application to Utility, a copy being attached hereto, to allow connection of Customer-Owned Renewable Generation ("CRG") system for any length of time to the distribution system at the location listed above; and

**Whereas**, Utility desires to provide interconnection of CRG under conditions which will insure the safety of Utility customers and employees, reliability and integrity of its distribution system;

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein set forth, the parties hereto covenant and agree as follows:

#### Section 1. Definitions

1.01 "Customer-owned renewable generation system" or "CRG system" means an electric generating system located on Customer's premises that is primarily intended to offset part or all of the Customer's electricity requirements with renewable energy that is generated using one or more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, waste heat, or hydroelectric power.

1.02 "Gross power rating" or "GPR" means the total manufacturer's AC nameplate generating capacity of an on-site CRG system that will be interconnected to and operate in parallel with Utility distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by .85 in order to account for losses during the conversion from DC to AC.

## **Section 2. Scope of Agreement**

2.01. This Agreement defines the terms and conditions under which Utility and Customer agree to interconnect CRG of \_\_\_ kW or less (as described in Exhibit A) at a standard Utility primary voltage.

## **Section 3. Interconnection Application**

3.01. In order to commence the process for interconnection of the CRG system, Customer shall complete and submit to Utility a Standard Interconnection Application (a copy of which is attached hereto as Exhibit A, and incorporated in this Agreement by this reference).

## **Section 4. Applicable Codes and Standards**

4.01. Prior to operating in parallel with Utility's electric system, Customer shall certify that the CRG equipment, its installation, its operation and its maintenance shall be in compliance with the following standards:

- a. IEEE-1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power System;
- b. IEEE-1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnection Distributed Resources with Electric Power Systems;
- c. UL-1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources;
- d. The National Electric Code, state and/or local building codes, mechanical codes and/or electrical codes; and
- e. The manufacturer's installation, operation and maintenance instructions.

4.02. Customer shall provide a copy of the manufacturer's installation, operation and maintenance instructions for the CRG equipment to Utility.

## **Section 5. Inspection Requirements**

5.01. Prior to commencing parallel operation with Utility's electric system, Customer shall have the CRG system inspected and approved by the appropriate code authorities having jurisdiction. Customer shall provide documentation of such inspection and approval to Utility.

5.02. Prior to and after operation of the CRG in parallel with Utility's electric system, authorized Utility representatives may inspect the CRG system to verify that it is, and continues to be, in compliance with the standards and codes contained in this Agreement. At least ten (10) business days prior to initially placing the CRG system in service, Customer shall provide written notification to Utility advising Utility of the date and time at which Customer intends to place the

system in service, and Utility shall have the right to have personnel present on the in-service date in order to ensure compliance with the requirements of this Agreement.

5.03. Utility shall provide Customer with as much notice as is reasonably practicable; either in writing, email, facsimile or by phone as to when Utility may conduct inspection and/or documentation review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Utility shall have access to Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Agreement, or if necessary, to meet Utility's obligations to provide service to its customers.

5.04. In no event shall any statement, representation, or lack thereof, either express or implied, by Utility, relieve the Customer of exclusive responsibility for the Customer's system. Specifically, any Utility inspection of the CRG system shall not be construed as confirming or endorsing the system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the CRG equipment. Utility's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any CRG equipment or procedure.

## **Section 6. Electric System Protection Requirements**

6.01. Customer certifies that the CRG equipment includes a utility-interactive inverter or interconnection system equipment that ceases to interconnect with the Utility upon a loss of utility power. The inverter shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing laboratory ("NRTL") to comply with UL 1741. The NRTL shall be approved by the Occupational Safety & Health Administration ("OSHA").

## **Section 7. Modifications and/or Additions to the Customer-Owned Renewable Generation System**

7.01. It is Customer's responsibility to notify Utility of any change to the GPR of the CRG by submitting a new application for interconnection specifying the modifications at least thirty (30) days prior to making the modifications.

7.02. If Customer adds another CRG system which (i) utilizes the same utility-interactive inverter for both systems or (ii) utilizes a separate utility-interactive inverter for each system, then Customer shall provide Utility with sixty (60) days written notice of the addition.

## **Section 8. Gross Power Rating**

8.01. The CRG must have a GPR that does not exceed 90% of the Customer's utility distribution service rating at the Customer's location. If the GPR does exceed that 90% limit, the Customer shall be responsible to pay the cost of upgrades for that distribution service to accommodate the GPR capacity and ensure the 90% threshold is not breached.

## **Section 9. Administrative Requirements**

9.01. Subject to an approved inspection, including installation of acceptable disconnect switch, this Agreement shall be executed by Utility within ##### (##) calendar days of receipt of a completed application. Customer must execute this Agreement and return it to Utility at least ##### (##) calendar days prior to beginning parallel operations with Utility's electric system and within one (1) year after Utility executes this Agreement.

9.02. Once Utility has received Customer's written documentation that the requirements of this Agreement have been met and the correct operation of the manual switch has been demonstrated to a Utility representative, Utility will, within##### (##) business days, send written notice that parallel operation of the CRG system may commence.

## **Section 10. Customer Insurance Requirements**

10.01. Customer shall obtain and retain, for as long as the CRG is interconnected with the Utility's electric system, liability insurance which protects the Customer from claims for bodily injury and/or property damage. For a residential Customer, the minimum coverage shall be a standard homeowner's insurance policy with liability coverage in the amount of at least \$100,000 per occurrence. For a non-residential Customer, the minimum coverage shall be comprehensive general liability insurance with coverage of at least \$300,000 per occurrence. This insurance shall be primary for all purposes.

10.02. The Customer shall provide certificates to Utility evidencing the required coverage on a form suitable to the Utility. The Utility reserves the right to refuse to establish, or continue the interconnection to the CRG if such insurance is not in effect.

## **Section 11. Customer Equipment**

11.01. Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on Utility's electric system in delivering and restoring system power. Customer is also responsible for ensuring that the CRG equipment is inspected, maintained, and tested regularly in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely. Such inspection shall be made after large storms have traversed Customer's location and after connection with Utility's system has been restored.

## **Section 12. Manual Disconnect Switch**

12.01. Customer shall install a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the CRG system and any Customer wiring connected to Utility's electric system such that back feed from the CRG system to Utility's electric system cannot occur when the switch is in the open position. The manual disconnect switch shall be mounted separate from the meter socket on an exterior surface adjacent to the meter. The switch shall be readily accessible to Utility and capable of being locked in the open

position with a Utility padlock. When locked and tagged in the open position by Utility, this switch will be under the control of Utility.

12.02. Utility may open the switch, isolating the CRG system, without prior notice to Customer. To the extent practical, however, prior notice shall be given. If prior notice is not given, Utility shall leave a door hanger at the time of disconnection notifying the Customer that the CRG has been disconnected, including an explanation of the condition necessitating such action. The switch will be re-closed by Utility as soon as practical once the conditions causing the disconnection cease to exist. Typical conditions which may require the switch to be opened include, but are not limited to:

- Utility electric system emergencies or maintenance requirements.
- Hazardous conditions existing on Utility's electric system due to the operation of the CRG or protective equipment as determined by Utility.
- Adverse electrical effects (such as power quality problems) on the electrical equipment of Utility's other electric consumers caused by the CRG as determined by Utility.
- Failure of Customer to pay amounts owed to Utility.

12.03. On termination of services pursuant to this Agreement, Utility shall open and padlock the manual disconnect switch and remove any additional metering equipment related to this Agreement. At the Customer's expense, within ##### (##) working days following the termination, the Customer shall permanently isolate the CRG and any associated equipment from Utility's electric supply system, notify Utility that the isolation is complete, and coordinate with Utility for return of Utility's lock.

### **Section 13. Metering Equipment**

13.01. Utility will furnish, install, own and maintain metering equipment capable of measuring the flow of kilowatt-hours (kWh) of energy. The Customer's service associated with the CRG will be metered at a single metering point. The metering equipment will measure energy delivered by Utility to Customer and also measure energy delivered by Customer to Utility. Customer agrees to provide safe and reasonable access to the premises for installation of this equipment and its future maintenance or removal.

### **Section 14. Indemnification**

14.01. Customer agrees to indemnify, defend and hold harmless Utility, its subsidiaries or affiliates, Piedmont Municipal Power Agency, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense, including attorneys' fees, which Utility, its subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer in fulfilling its obligations under this Agreement.

## **Section 15. Assignment**

15.01. Customer shall not have the right to assign its benefits or obligations under this Agreement without Utility's prior written consent and such consent shall not be unreasonably withheld. If there is a change in ownership of the CRG, Customer shall provide written notice to Utility at least ##### (##) days prior to the change in ownership. The new owner will be required to assume in writing Customer's rights and duties under this Agreement or to execute a new Standard Interconnection Agreement. The new owner shall not be permitted to net meter or begin parallel operations until the new owner assumes this Agreement or executes a new Agreement.

## **Section 16. Lease Agreements and Retail Purchase of Electricity**

16.01. Customer may contract with a third party for the purchase, lease, operation, or maintenance or an on-site CRG under terms and conditions that do not include the retail purchase of electricity from the third party. Customer shall provide Utility a copy of the lease agreement for any leased interconnection or generation equipment. Customer shall not enter into any lease agreement that results in the retail purchase of electricity or the retail sale of electricity from the CRG. Notwithstanding such restriction, in the event that Customer is determined to have engaged in the retail purchase of electricity from a party other than Utility, then Customer shall be in breach of this Agreement.

## **Section 17. Entire Agreement**

17.01. This Agreement supersedes all previous agreements and representations either written or verbal heretofore made between Utility and Customer with respect to matters herein contained. This Agreement, when duly executed, constitutes the only Agreement between the Parties relative to the matters herein described.

## **Section 18. Governing Law & Tariff**

18.01. This Agreement shall be governed by, and construed and enforced in accordance with, the laws, rules and regulations of the State of South Carolina and Utility's rate schedules as they may be modified, changed, or amended from time to time.

18.02. This Agreement incorporates by reference the terms of the Utility's applicable retail rate schedule, in particular Rate Schedule <##>, and such associated technical terms and abbreviations, general rules and regulations and standard electric service requirements as may be applicable, and , as may be amended from time to time, are incorporated by reference. To the extent of any conflict between this Agreement and such rate schedule, the schedule shall control.

18.03. Utility and Customer recognize that the South Carolina law and/or the South Carolina Public Service Commission's rules, including those rules directly addressing the subject of this Agreement, may be amended from time to time. In the event that such statutes and/or rules are amended and such amendments affect the terms and conditions of this Agreement, Utility and Customer agree to supersede and replace this Agreement with a new Interconnection Agreement which complies with the amended statutes/rules.

IN WITNESS WHEREOF, Customer and Utility have executed this Agreement the day and year first above written.

**UTILITY**

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CUSTOMER**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Customer Account Number)

Date: \_\_\_\_\_



## Exhibit A

### APPLICATION INTERCONNECTION OF CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS

TIER 1 - 20 KW or Less (Residential)  
TIER 2 - 100 KW or Less (Non-residential)

<Utility> customers who install customer-owned renewable generation systems and desire to interconnect those facilities with Utility's electrical system are required to complete this application. This application can be obtained from the local Utility office or can be downloaded from Utility's website at: [www.xxxxxxxxxxxx.com](http://www.xxxxxxxxxxxx.com). When the completed application and fees are returned to Utility, the process of completing the appropriate Tier 1 or Tier 2 Interconnection Agreement can begin. The Interconnection Agreements may be obtained at the local Utility office.

#### 1. Customer Information

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: State: Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Alternate Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_ Fax Number: \_\_\_\_\_

#### 2. Facility Information

Facility Location: \_\_\_\_\_

<Utility> Account Number: \_\_\_\_\_

Manufacturers Name/Address: \_\_\_\_\_

Reference or Model Number: \_\_\_\_\_

Serial Number: \_\_\_\_\_

### 3. Facility Rating Information

Gross Power Rating: \_\_\_\_\_ (“Gross power rating” means the total manufacturer’s AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with the utility’s distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.

Fuel or Energy Source: \_\_\_\_\_

Anticipated In- Service Date: \_\_\_\_\_

### 4. Application Fee

The application fee is based on the Gross Power Rating and must be submitted with this application. The non-refundable application fee is \$#### for Tier 2 installations. There is no application fee for Tier 1 installations.

### 5. Required Documentation

Prior to completion of the Interconnection Agreement, the following information must be provided to the Company by the Customer.

A. Documentation demonstrating that the installation complies with:

1. IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems;
2. IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems;
3. UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources;
4. The National Electric Code, state and/or local building codes, mechanical codes and/or electrical codes; and
5. The manufacturer’s installation, operation and maintenance instructions.

B. Documentation that the customer-owned renewable generation has been inspected and approved by local code officials prior to its operation in parallel with Utility’s system to ensure compliance with applicable local codes.

C. Proof of general liability insurance for Tier 1 generators (\$100,000) or Tier 2 generators (\$300,000).

## APPENDIX C

### NET BILLING RATE SCHEDULE

Effective August 20, 2020

#### I. Definitions

On-Peak Hours: During the months of June through September, On-Peak Hours are from 1:00 p.m. to 9:00 p.m., Monday through Friday. During the months of October through May, On-Peak Hours are from 6:00 a.m. to 1:00 p.m., Monday through Friday.

Off-Peak Hours: Off-Peak Hours are all hours that are not On-Peak Hours, including every hour on Saturday and Sunday.

#### II. Applicability

This schedule is applicable to any Participant that has met the conditions of the Net Billing Policy.

#### III. Rates for Energy Credits For Energy Supplied by CRG

Agreements dated by PMPA through December 31, 2020, will be maintained on the following Rates:

(1) On-Peak Energy	4.244 ¢/kWh
(2) Off-Peak Energy	2.755 ¢/kWh

The following Rates will be effective as of January 1, 2021:

(1) On-Peak Energy	3.874 ¢/kWh
(2) Off-Peak Energy	2.168 ¢/kWh

These Rates effective January 1, 2021, shall be adjusted as PMPA's AR Rates are adjusted and shall be equal to the Additional Energy Rate and Base Energy Rate, respectively (as defined in PMPA's AR Rate Schedule).

#### IV. Procedure

Each month, the total kilowatt-hours of excess CRG shall be divided into On-Peak Energy and Off-Peak Energy based on the Definitions in Section I of this Appendix C.

The On-Peak Energy shall be added to the Participant's Additional Energy (as defined (a) above in Section III. and (b) in PMPA's AR Rate Schedule) and charged at the appropriate On-Peak Energy Rate. The Off-Peak Energy shall be added to the Participant's Base Energy (as defined (a) above in Section III. and (b) in PMPA's AR Rate Schedule) and charged at the appropriate Off-Peak Energy Rate.

Then, Monthly Energy Credits shall be reflected on the Participant's bill in the appropriate amounts.