

Net Metering for Qualifying Facilities Solar Electric, Wind Turbine and Biomass

I. Applicability

The net metering option applies to residential, small commercial, commercial, industrial, or agricultural customers who have a solar or wind electrical generation facility, or a hybrid system of both, or biomass with a capacity of not more than 1000 kilowatts. The facility must be located on the customer's premises, operate in parallel with SMUD's transmission and distribution facilities, and must be intended primarily to offset part or all of the customer's own electrical requirements. Application for this option is on a first-come, first-served basis. The customer must meet all requirements of Rule 21.

II. Metering

(A) Residential and Small Commercial < 20 kW (< 30 kW for Agricultural Customers)

SMUD will pay for and install, at no cost to the customer, a single meter capable of registering the flow of electricity in both directions, or an equivalent means of metering. For SMUD-supplied photovoltaic (PV) systems, an additional meter for PV generation will be supplied as part of the system package.

(B) Large Commercial > 20 kW (> 30 kW for Agricultural Customers)

SMUD will pay for and install a single meter, or an equivalent means of metering, capable of registering the flow of electricity in both directions. The customer may be required to pay the cost differential between standard metering and bi-directional metering. For SMUD-supplied photovoltaic (PV) systems, an additional meter for PV generation will be supplied as part of the system package.

III. Standby Charges

Customers who qualify for Net Metering are exempt from standby charges on that portion of their load.

IV. Annualized Payment/Settlement Method

If during any normal monthly billing cycle, the energy supplied by SMUD is greater than the energy supplied to SMUD by the Customer's PV system, the Customer will receive a bill as prescribed by the applicable Standard Rate schedule, for the net kWh supplied by SMUD, but in no case less than the minimum bill under the Standard Rate. If in any normal billing month the energy supplied by SMUD is less than the energy supplied to SMUD by the Customer's PV system, the Customer will receive credit for the excess electricity supplied to SMUD applied to other bill components.

(A) Residential and Small Commercial < 20 kW (< 30 kW for Agricultural Customers)

For these customers, payment of any balance due on a monthly bill is not required and at the end of 12-months participation on Net Metering, a settlement bill will be calculated. The settlement amount will be based on the difference between the payments the Customer has made over the previous 12-months period and the value of the net energy (kWh) supplied by SMUD to the Customer or by the Customer to SMUD. Any net payment owed will be due and payable with the presentation of this settlement bill. Any balance shown as due to SMUD on the monthly bills received by any other class or customer is due and payable upon receipt. The value of electricity supplied by SMUD or the Customer will be the full retail price of electricity under the applicable rate schedule in effect at the time of supply and for the quantities of net energy supplied by SMUD or the Customer. Customer may elect to pay the outstanding balance each month to minimize year-end settlements. At the end of each twelve (12) month period from the origination of the net metering agreement, SMUD may issue payment to SMUD energy customers for any credit balance during the prior year.

(B) Qualifying Large Commercial > 20 kW (> 30 kW for Agricultural Customers)

Monthly net energy consumed or generated will be billed or credited at the applicable tier or time-of-use rate. Excess generation over the entire year, will not be reimbursed by SMUD except through purchase agreement. Demand and facilities charges will be charged the same as other customers in the applicable rate category. Bills for demand-billed commercial, industrial and agricultural customers are subject to payment in each normal billing cycle with monthly credit carryover on a month-to-month basis until settlement.

(End)