



## **BEUD NET METERING REQUIREMENTS**

**ELECTRIC DEPARTMENT  
CONSTRUCTION OFFICE  
3200 Municipal Drive  
Bentonville, AR 72712**

**REVISED  
07/09/24**

ORDINANCE NO. 2024-98

**AN ORDINANCE ADOPTING AND UPDATING BENTONVILLE NET  
METERING REQUIREMENTS FOR THE CITY OF BENTONVILLE  
ELECTRIC UTILITY DEPARTMENT; PROVIDING WHEN SUCH  
REQUIREMENTS SHALL BECOME EFFECTIVE; AND FOR OTHER  
PURPOSES.**

**BE IT ORDAINED BY THE CITY OF BENTONVILLE, ARKANSAS:**

Section 1. The updated Bentonville Net Metering Requirements, three copies of which have been made available with the City Clerk for public review, in accordance with Arkansas law, should be and the same are hereby adopted:

**BEUD NET METERING REQUIREMENTS**

Section 2: Severability Provision: If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed; and

Section 3: Repeal of Conflicting Provisions: All Ordinances, Resolutions, or Orders of the City Council, or parts of the same, in conflict with this Ordinance are repealed to the extent of such conflict.

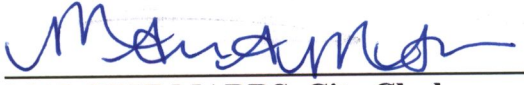
Section 4. This ordinance shall become effective thirty (30) days after passage and approval.

PASSED this 9 day of July, 2024.

APPROVED;

  
STEPHANIE ORMAN, Mayor

ATTEST:

  
MALORIE MARRS, City Clerk



# TABLE OF CONTENTS

<b>SECTION 1</b>	<b>GENERAL PROVISIONS.....</b>	<b>1</b>
Rule 1.01	Definitions.....	1
Rule 1.02	Purpose.....	4
Rule 1.03	Statutory Provisions.....	4
Rule 1.04	Other Provisions.....	4
Rule 1.05	Avoided Cost Rate.....	4
Rule 1.06	Illegal Facilities.....	4
Rule 1.07	Monthly Grid Charge.....	5
<b>SECTION 2</b>	<b>NET METERING REQUIREMENTS .....</b>	<b>5</b>
Rule 2.01	Interconnection Authorized .....	5
Rule 2.02	Metering Requirements.....	5
Rule 2.03	New or Additional Charges.....	6
Rule 2.04	Net Metering Application.....	6
Rule 2.05	Billing for Net Metering .....	7
Rule 2.06	Renewable Energy Credits.....	8
Rule 2.07	Generation above Net Metering Limits .....	8
Rule 2.08	Use of Distribution System.....	8
<b>SECTION 3</b>	<b>EXPANDED NET-METERING REQUIREMENTS.....</b>	<b>8</b>
Rule 3.01	Permission to Interconnect.....	8
Rule 3.02	Metering Requirements.....	8
Rule 3.03	Distributed Generation Application.....	9
Rule 3.04	Billing for Distributed Generation .....	10
Rule 3.05	Use of Distribution System.....	10
Rule 3.06	Renewable Energy Credits.....	10
<b>SECTION 4</b>	<b>INTERCONNECTION OF NET METERING FACILITIES TO BEUD DISTRIBUTION SYSTEM .....</b>	<b>10</b>
Rule 4.02	Requirements for Initial Interconnection.....	11
Rule 4.03	Requirements for Commissioning Test and Report. ....	12
Rule 4.04	Requirements for Modifications or Changes to an Interconnecting Facility	13
Rule 4.05	Requirements for Periodic testing.....	14
<b>SECTION 5.</b>	<b>ADMINISTRATIVE IMPLEMENTATION .....</b>	<b>14</b>
Rule 5.01	Standard Interconnection Agreement and Preliminary Interconnection Site Review Request.....	14
Rule 5.02	Filing and Reporting Requirements.....	14
<b>PRELIMINARY INTERCONNECTION REVIEW REQUEST .....</b>		<b>A-1</b>
<b>STANDARD INTERCONNECTION AGREEMENT .....</b>		<b>B-1</b>
<b>CUSTOMER BILL CALCULATIONS.....</b>		<b>C-1</b>

## **INTRODUCTION**

These Net-Metering and Distributed Generation Rules (“Rules”) are intended to assist customers who desire to interconnect their renewable energy facilities in parallel with the City’s electric distribution while protecting customers who wish to avoid service disruptions and cost increases that may result from the interconnection of renewable energy facilities. In addition to balancing the City’s objectives of affordability and renewable energy, these Rules support and reaffirm the longstanding commitment of the City of Bentonville and BEUD to the safe and reliable operation of our local electric distribution system.

Revisions to these Rules were prompted by changes in net-metering laws applicable to all utilities in Arkansas. In many ways, they are similar to regulations approved by the Arkansas Public Service Commission (“APSC”) after extensive public hearings and argument. While the APSC lacks jurisdiction over BEUD, many of the arguments that were raised during hearings before the APSC were considered in the development of these Rules.

## **SECTION 1                      GENERAL PROVISIONS**

### **Rule 1.01        Definitions**

- A. ACCUMULATED NET EXCESS GENERATION means any Net Excess Generation Credits that have not been credited to the Net-Metering Customer’s Account associated with the Net-Metering Facility that generated the Net Excess Generation Credits.
- B. ANNUAL BILLING CYCLE means the normal annual fiscal accounting period used by BEUD which begins on January 1st and ends on December 31st each year.
- C. AVOIDED COST RATE has the meaning assigned in Rule 1.05.
- D. BILLING PERIOD: The billing period for net metering will be the same as the billing period under the customer's applicable standard rate schedule.
- E. BIOMASS FACILITY: A facility that may use one or more organic fuel sources that can either be processed into synthetic fuels or burned directly to produce steam or electricity, provided that the resources are renewable, environmentally sustainable in their production and use, and the process of conversion to electricity results in a net environmental benefit. This includes, but is not limited to, dedicated energy crops and trees, agricultural food and feed crops, agricultural crop wastes and residues, wood wastes and residues, aquatic plants, animal wastes, and other accepted organic, renewable waste materials.
- F. COUNCIL: Means the City of Bentonville City Council.
- G. COMMERCIAL CUSTOMER: A customer served under utility's standard rate schedule applicable to commercial service.
- H. ELECTRIC UTILITY or UTILITY: The Bentonville Electric Utility Department (BEUD)

which is tasked by the City to operate the City-owned electric distribution system and engage in the business of furnishing power, electricity, and other services to retail customers.

- I. EXPANDED NET-METERING CUSTOMER: An owner, lessee or service contract recipient of an Expanded Net-Metering Facility.
- J. EXPANDED NET-METERING FACILITY: An electricity generator and related equipment facility that: (i) uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources; (ii) does not qualify as a Net-Metering Facility; and (iii) is permitted by BEUD to connect to and operate in parallel with the BEUD Electric Distribution System. An Expanded Net-Metering Facility shall not: (1) generate more electricity (kWh) than is consumed by the Expanded Net Metering Customer at or adjacent to the Expanded Net Metering Facility during any Billing Period; or (2) have a generating capacity that exceeds eighty percent (80%) of the peak electrical demand of the Expanded Net-Metering Customer at or adjacent to the Expanded Net Metering Facility during the previous year.
- K. FUEL CELL FACILITY: A facility that converts the chemical energy of a fuel directly to direct current electricity without intermediate combustion or thermal cycles.
- L. GEOTHERMAL FACILITY: An electric generating facility in which the prime mover is a steam turbine. The steam is generated in the earth by heat from the earth's magma.
- M. HYDROELECTRIC FACILITY: An electric generating facility in which the prime mover is a water wheel. The waterwheel is driven by falling water.
- N. ILLEGAL FACILITY: Any generating facility that is connected to the BEUD distribution system without a permit or proper authority.
- O. INTERCONNECTING CUSTOMER: A Net Metering Customer or Expanded Net-Metering Customer.
- P. INTERCONNECTING FACILITY: A Net-Metering Facility or Expanded Net-Metering Facility.
- Q. MICRO TURBINE FACILITY: A facility that uses a small combustion turbine to produce electricity.
- R. NET EXCESS GENERATION CREDITS: The dollar value of electricity (kWh) generated by Net-Metering Customer's Net-Metering Facility and provided to BEUD during an applicable billing cycle that exceeds the dollar value of the electricity (kWh) consumed by the Net-Metering Customer where the Net-Metering Facility is located.
- S. NET METERING: A billing option that measures the amount of electricity as measured in

kilowatt hours supplied by BEUD to a Net-Metering Customer and separately measuring the electricity as measured in kilowatt hours generated by a Net-Metering Customer's Net-Metering Facility and fed back to BEUD.

- T. NET METERING CUSTOMER: An owner, lessee or service contract recipient of a Net-Metering Facility, as defined by Ark. Code Ann. § 23-18-603(9), except a customer that takes service under a BEUD rate schedule for interruptible service.
- U. NET METERING FACILITY: A facility for the production of electric energy to meet all or part of a Net-Metering Customer's need for electric energy within BEUD's service territory that:
  - 1) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources; and,
  - 2) For residential use, the lesser of: (i) twenty-five kilowatts alternating current (25 kW (AC)); or (ii) the capacity that is calculated to produce no more than 100% of the energy needed by the Net-Metering Customer during a calendar year; or
  - 3) For non-residential use, the lesser of: (i) three hundred kilowatts alternating current (300 kW (AC)); (ii) the capacity that is calculated to produce no more than 100% of the energy (kWh) needed by the Net-Metering Customer during a calendar year; or (iii) the average peak demand (kW) during any billing cycle in the year prior to installation; and,
  - 4) Is located at a Net-Metering Customer's service location within the BEUD service territory; and,
  - 5) Can safely operate in parallel with BEUD's existing transmission and distribution facilities in compliance with applicable standards; and,
  - 6) Is primarily intended to advance the Net-Metering Customer's renewable energy goals and offset the Net-Metering Customer's requirements for electricity; or,
  - 7) May include an energy storage device that is configured to receive electric energy solely from a facility meeting the requirements of subsections 1 through 6, above.
- V. PARALLEL OPERATION: The operation of on-site generation by a customer while the customer is connected to BEUD's distribution system.
- W. RENEWABLE ENERGY CREDIT: The environmental, economic, and social attributes of a unit of electricity, such as a megawatt hour, generated from renewable fuels that can be sold or traded separately.
- X. RESIDENTIAL CUSTOMER: A customer served under BEUD's standard rate schedules applicable to residential service.
- Y. SOLAR FACILITY: A facility in which electricity is generated through the collection, transfer and or storage of the sun's heat or light.
- Z. WIND FACILITY: A facility in which an electric generator is powered by a wind-driven turbine.

### **Rule 1.02 Purpose**

The purposes of these Net-Metering Rules (“Rules”) are to regulate the interconnection, metering, and financial consideration given to Interconnecting Facilities by BEUD.

### **Rule 1.03 Statutory Provisions**

- A. These Rules are developed pursuant to the Cost-Shifting Prevention Act of 2023 (Ark. Code Ann. § 23-18-601, et seq., as amended.)
- B. These Rules are promulgated pursuant to the Council’s authority under Ark. Code Ann. §§ 14-54-701 et seq., and 14-200-112, as delegated to BUED.
- C. Nothing in these Rules shall govern, limit, or restrict the authority of the Council or BEUD under Ark. Code Ann. § 23-18-601, et seq., or any other provision of law.

### **Rule 1.04 Other Provisions**

- A. These Net-Metering Rules apply to BEUD and customers of BEUD.
- B. These Net-Metering Rules are not intended to, and do not affect or replace any general service regulation, policy, procedure, rule, or service application which addresses items other than those covered in these Rules.
- C. These Net-Metering Rules do not apply to requests to interconnect generating facilities pursuant to the Public Utility Regulatory Policies Act of 1978 ("PURPA") and the rules and regulations of the Federal Energy Regulatory Commission.

### **Rule 1.05 Avoided Cost Rate**

BEUD will periodically determine and establish its Avoided Cost Rate giving due consideration to the cost of (i) energy, (ii) capacity, (iii) delivery of energy and capacity, (iv) line losses and other inefficiencies, (v) administrative and ancillary expenses, or (vi) any combination thereof. The methodology used to determine the Avoided Cost Rate may change from time to time based on regulatory changes, public policy, or the needs of BEUD, as allowed by law. If BEUD calculates an Avoided Cost Rate that is greater than the applicable retail rate for electricity (\$/kWh) that is charged to a class of customers, the Avoided Cost Rate applicable to that class of customers shall be the applicable retail rate.

### **Rule 1.06 Illegal Facilities**

In addition to all other remedies available, BEUD may completely disconnect (load and generation) any person or customer who owns, operates, maintains, or connects an Illegal Facility and keep them disconnected until:

1. The Illegal Facility has been dismantled or a proper application for connection has been submitted to BEUD; and
2. The customer has paid a reconnection fee of two hundred fifty dollars (\$250.00) per location disconnected pursuant to this Rule 1.06.

#### **Rule 1.07      Monthly Grid Charge**

As needed, BEUD will calculate a Monthly Grid Charge expressed in dollars per kilowatt (kW) to be applied to the nameplate or measured alternating current (AC) capacity of a Net-Metering Facility under Rule 2.05.A(2)(b). The Monthly Grid Charge will be calculated as follows:

$$\text{Monthly Grid Charge} = (8760 \text{ hours} \times \text{Capacity Factor} \times (\text{Retail Rate} - \text{Avoided Cost})) \div 12$$

Where:

*Capacity Factor* = The capacity factor of the Net Metering Facility as shown on the Standard Interconnection Agreement or measured by PLWC.

*Retail Rate* = The rate charged to the Net-Metering Customer for energy (kWh)

*Avoided Cost* = See Rule 1.05

## **SECTION 2                      NET METERING REQUIREMENTS**

### **Rule 2.01      Interconnection Authorized**

BEUD shall allow Net-Metering Facilities to be interconnected according to the rules and procedures in this ordinance. BEUD will perform such interconnection using a two-way meter that measures electric consumption and generation. BEUD shall supply the meter; however, customers shall be obligated to pay the cost of any nonstandard or additional metering or interconnection equipment that may be required. Any and all costs to interconnect a Net-Metering Facility to BEUD shall be paid by the Net-Metering Customer in advance, including without limitation the cost of BEUD labor, materials, administrative costs, cost for system studies, engineering services, costs to extend or upgrade facilities, and the like.

### **Rule 2.02      Metering Requirements**

- A. Metering equipment shall be installed to accurately measure electricity supplied by BEUD to each Net-Metering Customer and the electricity generated by each Net-Metering Customer that is fed back to BEUD over the applicable Billing Period. BEUD will provide an approved meter capable of registering the flow of electricity in two (2) directions.
- B. Accuracy requirements shall be the same as those applied to other BEUD meters. A test to determine compliance with this accuracy requirement may be made either before or at the time the Net-Metering Facility is placed in operation. Additional tests may thereafter be conducted as may be reasonably necessary or advisable to verify meter accuracy.



### **Rule 2.03      New or Additional Charges**

Any new or additional rate, charge, or fee imposed on Net Metering Customers, other than rates, charges, fees, and direct cost assignment described in these Rules, shall be approved by Bentonville City Council with notice provided to affected customers. No rate or recurring fee shall reduce the value of electric energy from a Net-Metering Facility below the Avoided Cost Rate.

### **Rule 2.04      Net Metering Application**

- A. A customer may file an application with BEUD to install a Net-Metering Facility that complies with the requirements for a Net-Metering Facility described in Rule 1.01.U, except that a customer that takes service under a BEUD rate schedule for interruptible service may not submit an application to install a Net-Metering Facility.
- B. The application shall be submitted on BEUD's forms and shall, at a minimum, include:
  - 1. A description of the proposed Net-Metering Facility including:
    - a. Project narrative and construction plans;
    - b. Project location (street address);
    - c. Generator type (wind, solar, hydro, etc.);
    - d. Generator capacity rating in kW (AC);
    - e. Capacity factor;
    - f. Point of interconnection with BEUD;
    - g. Single Phase or Three Phase interconnection;
    - h. Planned method of interconnection; and
    - i. Expected facility performance calculated using an industry recognized simulation model (PVWatts, etc.).
  - 2. The capacity factor submitted under Rule 2.04B(1)(e) must be supported by manufacturer data unless presumed valid. Capacity factors of solar arrays that are within the parameters shown below will be presumed valid:
    - a. Fixed-tilt: 15% - 19%
    - b. Single-axis tilt: 18% - 22%
    - c. Dual-axis tilt: 20% - 24%

3. Evidence that the Net-Metering Facility will comply with capacity restrictions described in Rule 1.01S(2 & 3).
4. If applicable, a copy of the Preliminary Interconnection Review Request (see Rule 3.01), with applicable fees, submitted to BEUD and the results of BEUD's interconnection site review.

**Rule 2.05 Billing for Net Metering**

- A. On a monthly basis, BEUD will bill each Net-Metering Customer for all energy and power delivered to the Net-Metering Customer by BEUD according to the currently effective standard rate schedule and any appropriate rider schedules applicable to the Net-Metering Customer. The value of the energy (kWh) generated by a Net-Metering Facility and delivered to BEUD will only be credited against the energy charges incurred by the Net-Metering Customer at or adjacent to the Net-Metering Facility. For clarity, demand charges, service charges, and other charges that are not calculated based upon current kWh consumption will not be reduced by Net Metering. Power cost adjustments that reflect variations in the market price of power from one month to the next may be reduced by Net Metering; however, power cost adjustments intended to offset broad system costs will not be reduced by Net Metering.
  1. Residential and Non-demand billed Customers. BEUD will credit at BEUD's Avoided Cost rate the value of all electricity generated by a residential or non-demand billed Net-Metering Customer's Net-Metering Facility and fed back to BEUD. If the amount of credit exceeds the customer's energy charges during the applicable Billing Period, BEUD will apply the Accumulated Net Excess Generation Credit in the next Billing Period, subject to the limitations found under Rule 2.05B. A sample bill calculation for residential and non-demand billed customers is shown on Exhibit C.
  2. Demand-billed Customers. Demand-billed Customers may elect to receive: (i) credit from BEUD at BEUD's Avoided Cost rate for the value of all electricity generated by the Net-Metering Customer's Net-Metering Facility and fed back to BEUD; or (ii) a Monthly Grid Charge as calculated under Rule 1.07. If the amount of credit exceeds the customer's energy charges during the applicable Billing Period, BEUD will apply the Accumulated Net Excess Generation Credit in the next Billing Period, subject to the limitations found under Rule 2.05B. Sample bill calculations are attached for Demand-Billed Customers under both the avoided cost option and grid charge option on Exhibit C.
- B. Net-Excess Generation Credits.
  1. Net Excess Generation Credits are not transferable.
  2. BEUD will not purchase Net Excess Generation Credits or Accumulated Net Excess Generation Credits.

### **Rule 2.06 Renewable Energy Credits**

Any Renewable Energy Credit created as a result of electricity supplied by a Net-Metering Customer is the property of the Net-Metering Customer that generated the Renewable Energy Credit.

### **Rule 2.07 Generation above Net Metering Limits**

Net-Metering is prohibited for any facility with an electric generating capacity that is greater than the limits identified in Rule 1.01U(2 & 3). BEUD shall not credit any customer for electricity generated by capacity that exceeds authorized limits.

### **Rule 2.08 Use of Distribution System**

BEUD is not required to interconnect any Net-Metering Facility that is not collocated with a Net-Metering Customer's load. Any Net-Metering Customer that is allowed to interconnect a Net-Metering Facility that is not collocated with the Net-Metering Customer's load must pay such charges as may be assessed by BEUD for wheeling power across the distribution system.

## **SECTION 3 EXPANDED NET-METERING REQUIREMENTS**

### **Rule 3.01 Permission to Interconnect**

BEUD may allow Expanded Net-Metering Facilities to be interconnected using separate meters for load and generation. BEUD will not allow an Expanded Net-Metering Facility to be interconnected using a meter that measures both electric consumption and generation without submetering that isolates electric generation. BEUD will not allow an Expanded Net-Metering Facility to be interconnected that will jeopardize reliability of the distribution system, back feed electricity on the bulk electric system, or otherwise affect the rights and obligations of other customers of BEUD.

### **Rule 3.02 Metering Requirements**

A. Metering equipment shall be installed to both accurately measure the electricity supplied by BEUD to each Expanded Net-Metering Customer and the electricity generated by each Expanded Net-Metering Customer. The customer is responsible for the cost of additional metering equipment used to measure generation, as well as any nonstandard metering configurations.

B. Metering equipment will be verified for accuracy prior to installation according to BEUD's normal accuracy verification procedures. A test to determine compliance with this accuracy requirement shall be made either before or at the time the Expanded Net-Metering Facility is placed in operation. Additional tests may thereafter be conducted as may be reasonably necessary or advisable to verify meter accuracy.

### **Rule 3.03      Expanded Net-Metering Application**

A. A customer may file an application with BEUD to install an Expanded Net-Metering Facility so long as the proposed Expanded Net-Metering Facility will not: (1) generate more electricity (kWh) than is consumed by the Expanded Net Metering Customer at or adjacent to the Expanded Net-Metering Facility during any Billing Period; and (2) the generating capacity of the Expanded Net-Metering Facility does not exceed eighty percent (80%) of the peak electrical demand of the Expanded Net-Metering Customer at or adjacent to the Expanded Net Metering Facility during the previous year.

B. The application shall, at a minimum, include:

1. A description of the proposed Expanded Net-Metering Facility including:
  - a. Project narrative and construction plan;
  - b. Project location (street address);
  - c. Generator type (wind, solar, hydro, etc.);
  - d. Generator rating in kW (DC or AC);
  - e. Capacity factor;
  - f. Point of interconnection with BEUD;
  - g. Single Phase or Three Phase interconnection;
  - h. Planned method of interconnection consistent with Rule 4.01.B.;
  - i. Expected facility performance calculated using an industry recognized simulation model (PVWatts, etc.);
2. The capacity factor submitted under Rule 3.03B(1)(e) must be supported by manufacturer data unless presumed valid. Capacity factors of solar arrays that are within the parameters shown below will be presumed valid:
  - a. Fixed-tilt: 15% - 19%
  - b. Single-axis tilt: 18% - 22%
  - c. Dual-axis tilt: 20% - 24%
3. Evidence that the Expanded Net-Metering Facility will comply with capacity restrictions described in Rule 3.03A. Evidence will be in the form of:
  - a. The monthly electric bills for the 12 months prior to filing the Distributed Generation application, or

- b. In the absence of historical data, reasonable estimates for the class and character of service may be made.
2. If applicable, a copy of the Preliminary Interconnection Review Request, with applicable fees, submitted to BEUD and the results of BEUD's interconnection site review.

#### **Rule 3.04 Billing for Expanded Net-Metering**

A. On a monthly basis, BUED shall bill each Expanded Net-Metering Customer for all charges applicable under the currently effective standard rate schedule and any appropriate rider schedules.

On a monthly basis, BEUD shall credit at BEUD's Avoided Cost Rate, all kWhs generated by an Expanded Net-Metering Customer, provided that BEUD shall not, during any Billing Period, provide credit for energy generated that exceeds the energy that was consumed by the Expanded Net-Metering Customer. A sample bill calculation for residential and non-demand billed customers is shown on Exhibit C.

B. BEUD shall not provide generation credit to any Expanded Net-Metering Customer with a delinquent account or that ceases to consume electricity.

#### **Rule 3.05 Use of Distribution System**

Expanded Net Metering Facilities must typically be collocated with an Expanded Net-Metering Customer's load within the service territory of BEUD. Customers that own Expanded Net-Metering Facilities that are not collocated with the customer's load must pay applicable costs as may be assigned by BEUD for wheeling power across the BEUD distribution system.

#### **Rule 3.06 Renewable Energy Credits**

Any Renewable Energy Credit created as a result of electricity supplied by an Expanded Net-Metering Customer is the property of the Expanded Net-Metering Customer that generated the Renewable Energy Credit.

### **SECTION 4 INTERCONNECTION OF NET METERING FACILITIES TO BEUD DISTRIBUTION SYSTEM**

#### **Rule 4.01 Requirements for Interconnection and Building Permit Review Request**

- A. An Interconnecting Customer may execute an Interconnection Review Request (Appendix A) and pay the designated application fee of the Interconnecting Facilities, and construction shall not commence until approved. Requests shall be submitted through BEUD's permit tracking system and may include a separate request for each point of interconnection if information about multiple points of interconnection is requested. Part A, Standard Information, Sections 1 through 3 of the Interconnection Review Request must be completed for the notification to be valid.

- B. Following notification by the customer as specified in Rule 4.01.A., BEUD will seek to review the plans of the facility interconnection and provide the results of its review to the customer, in writing, within 30 calendar days. If the customer requests that multiple interconnection site reviews be conducted BEUD shall make reasonable efforts to provide the customer with the results of the review within 30 calendar days. Any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits will be identified. BEUD will identify distribution system upgrades, if any, that are necessary to interconnect the proposed system. BEUD will respond to the Interconnection Review Request with: (1) approval subject to these Rules; (2) approval subject to these Rules and additional conditions, such as payment of distribution system upgrades; or (3) denial.
- C. Approval of an interconnection review is valid for one calendar year. Approval does not relieve a customer from other regulations governing permitting, construction, operation, lawful uses of property, and the like. Interconnection review is only performed on existing data and does not require BEUD to conduct a study or other analysis of the proposed interconnection site in the event that data is not readily available. Additional data or changes in data may invalidate approval of a interconnection review.
- D. The interconnection review does not relieve the customer of the requirement to execute a Standard Interconnection Agreement prior to interconnection of the facility or to pay the costs associated with required engineering analysis, design, or distribution system upgrades in advance.
- E. The Interconnecting Facility, at the Interconnecting Customer's expense, shall meet all safety and performance standards adopted by BEUD and pursuant to these Rules that are necessary to ensure safe and reliable operation of the Interconnecting Facility in parallel with BEUD's system. This includes but is not limited to the satisfactory completion of the annual inspection and filing of that inspection with BEUD.

#### **Rule 4.02 Requirements for Initial Interconnection**

- A. An Interconnecting Facility shall be capable of operating in parallel and safely commencing the delivery of power to the BEUD distribution system at the designated point of interconnection. To prevent an Interconnecting Customer from back-feeding a de-energized line, each Interconnecting Facility shall have:
  - 1. An automatic switching scheme as described in IEEE 1547 that senses when a loss of power from BEUD has occurred and immediately disconnects the Interconnecting Facility from BEUD's electric distribution system until BEUD has restored power; and
  - 2. A visibly open, lockable, manual disconnect switch which is clearly labeled and accessible by BEUD at all hours.
- B. The customer shall submit a Standard Interconnection Agreement (Appendix B) in Trakit at least sixty (60) days prior to the date the customer intends to interconnect the Interconnecting Facilities to the BEUD Distribution System. Part A, Standard Information,

Sections 1 through 3 of the Standard Interconnection Agreement must be completed for the notification to be valid. The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement. BEUD shall provide a copy of the Standard Interconnection Agreement to the customer upon request.

- C. Following notification by the customer as specified in Rule 4.02.B., BEUD will seek to review the plans of the facility and provide the results of its review to the customer, in writing, within 30 calendar days. Any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.
- D. The Interconnecting Facility, at the Interconnecting Customer's expense, shall meet safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL), and shall be inspected annually by the customer's professional installer, or other qualified person.
- E. The Interconnecting Facility, at the Interconnecting Customer's expense, shall meet all safety and performance standards adopted by BEUD and pursuant to these Rules that are necessary to assure safe and reliable operation of the Interconnecting Facility when operating in parallel with BEUD's system. This includes but is not limited to the satisfactory completion of the annual inspection and filing of that inspection with BEUD.
- F. If BEUD's existing distribution facilities are not adequate for interconnection, the Interconnecting Customer shall pay the cost to improve and/or modify BEUD's electric distribution facilities prior to the improvement and/or modification of BEUD's electric distribution facilities. No Interconnecting Facility shall be connected to the BEUD electric distribution system unless and until any necessary improvements or modifications to the BEUD electric distribution system have been made.
- G. The Interconnecting Customer shall execute a Standard Interconnection Agreement (Appendix B) and pay the designated interconnection fee prior to connecting to the BEUD Distribution System.

**Rule 4.03 Requirements for Commissioning Test and Report.**

- A. A commissioning test and report shall be performed by the installation contractor of the Interconnecting Facility. The tests described in this Rule 4.03 must be documented and performed by using written test procedures established by the manufacturer(s) of the interconnecting equipment. At a minimum the following tests and their results must be documented in a report and submitted to BEUD prior to BEUD final inspection.
  - 1. *Visual Inspection.* A visual inspection shall be made to ensure that the grounding scheme of the interconnection shall not cause overvoltages that exceed the rating of the equipment connected to BEUD's distribution system and shall not disrupt the

coordination of the ground fault protection on BEUD's Distribution System. The visual inspection must confirm the presence of the isolation devices described in 3.02 A.

2. *Performance Tests.* The following commissioning tests shall be performed on the installed Interconnecting Facility and interconnection system equipment prior to the initial parallel operation of the Interconnecting Facility. The following are required:
  - a. Operability test on the isolation device mentioned in 4.02A.
  - b. Unintentional islanding functionality as specified in IEEE 1547 Clause 5.4.1.
  - c. Cease to energize functionality as specified in IEEE 1547 Clause 5.4.2.
  - d. Any tests of IEEE 1547 Section 5.1 that have not been previously performed on a representative sample and formally documented. These are tests that should be completed by the manufacturer of the Interconnecting Facility equipment and submitted as part of the report for the Commissioning test to BEUD. For reference these include Clauses 5.1.1 thru 5.1.6 in the IEEE Standard 1547:
    - (i) Response to abnormal voltage and frequency;
    - (ii) Synchronization;
    - (iii) Interconnect Integrity test;
    - (iv) Unintentional islanding;
    - (v) Limitation of DC injection; and
    - (vi) Harmonics.
  - e. Any tests of IEEE 1547 Section 5.2 that have not been previously performed on the interconnection systems. These tests are the same response to abnormal voltage and frequency and synchronization tests listed previously covered in IEEE Standard 1547 Clause 5.1.1 and 5.1.2.

#### **Rule 4.04 Requirements for Modifications or Changes to an Interconnecting Facility**

- A. Prior to being made, the Interconnecting Customer shall notify BEUD of, and BEUD shall evaluate, any modifications or changes to the Interconnecting Facility described in Part A, Standard Information, Section 2 of the Standard Interconnection Agreement. The notice provided by the Interconnecting Customer shall provide detailed information describing the modifications or changes to BEUD in writing, including a revised Standard Interconnection Agreement that clearly identifies the changes to be made. BEUD will seek to review the proposed changes to the facility and provide the results of its evaluation to the customer, in writing, within thirty (30) days of receipt of the customer's proposal. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits shall be identified.
- B. If the Interconnecting Customer makes modification or changes to the Interconnecting Facility without BEUD's prior written authorization and the execution of a new Standard Interconnection Agreement, BEUD shall have the right to suspend service due to unsafe conditions until resolved.



- C. Interconnecting Customers may be required to make modifications or changes to the Interconnecting Facility at any time when such modifications or changes are necessary to prevent serious harm to persons or property. Such modifications or changes shall be performed within thirty (30) days of notice by BEUD at the expense of the Interconnecting Customer, or sooner when the threat of harm is imminent.

**Rule 4.05 Requirements for Periodic testing.**

The customer shall complete a visual inspection of the Interconnecting Facility and conduct a Cease to Energize functionality test every year on or before the anniversary of the Interconnecting Facility's initial approval by BEUD. The customer shall also perform any other periodic tests as recommended by the manufacturer(s) of the Interconnecting equipment. The customer shall have these tests performed by a qualified person, keep a log of the inspection and the results, and submit this log to BEUD upon completion every year. BEUD may elect to witness these tests at its own discretion to ensure that the tests are being completed. BEUD may perform an inspection or test of any Interconnecting Facility at intervals of no less than three (3) years, or upon the reasonable belief of a safety or operational risk, at the expense of the Interconnecting Facility Owner.

**SECTION 5. ADMINISTRATIVE IMPLEMENTATION**

**Rule 5.01 Standard Interconnection Agreement and Preliminary Interconnection Site Review Request**

Typical standard agreements used by BEUD for interconnection are attached as annexes to these Rules as the Preliminary Interconnection Site Review Request (Appendix A) and the Standard Interconnection Agreement (Appendix B). BEUD may update or improve these forms from time-to-time, in a manner consistent with this regulation.

**Rule 5.02 Filing and Reporting Requirements**

The BEUD Electric Director shall periodically report the number of facilities interconnected with the BEUD distribution system.

**Rule 5.03 Customer Notifications of Consumer Protection Laws.**

The BEUD Electric Director will establish processes to provide customers general information about consumer protection laws related to net metering.

# PRELIMINARY INTERCONNECTION REVIEW REQUEST

## **A. Standard Information**

### **1. Customer Information:**

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

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

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

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Project Manager/Contractor: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

### **2. Generation Facility Information:**

Location (if different from above): \_\_\_\_\_

System Type (select one): ☐ Solar ☐ Other: \_\_\_\_\_

Generator Type: ☐ Single Phase -or- ☐ Three Phase

*Report data below in Alternating Current (AC).*

Expected Generator Power Rating (kW): \_\_\_\_\_

Expected Annual Energy Production (kWh): \_\_\_\_\_

**NOTICE: AN ADDITIONAL METER IS REQUIRED FOR INTERCONNECTION.**

### **3. Interconnection Information**

*Attach a detailed electrical diagram showing the configuration of all generating facility equipment, including protection and control schemes.*

Requested Point of Interconnection: \_\_\_\_\_

Customer-Site Load (kW) at Interconnecting Facility location (if none, so state): \_\_\_\_\_

Interconnection Request: ☐ Single Phase -or- ☐ Three Phase

### **NOTICE**

**BEUD PROHIBITS CUSTOMERS FROM CONSTRUCTING NET-METERING GENERATION FACILITIES THAT HAVE A GENERATING CAPACITY (KW) THAT IS GREATER THAN LIMITATIONS DESCRIBED IN THE NET-METERING RULES. EXCESS GENERATION MAY BE CARRIED FORWARD. BEUD WILL NOT PURCHASE GENERATION CREDITS.**

## **B. Preliminary Interconnection Terms & Conditions**

1. *Requirements for Request.* For the purpose of requesting that BEUD conduct a preliminary interconnection site review for a proposed Interconnecting Facility, or as otherwise requested by the customer, the customer shall notify BEUD by submitting a completed Preliminary Interconnection Site Review Request. The customer shall submit a separate Preliminary Interconnection Site Review Request for each point of interconnection if information about multiple points of interconnection is requested. Part A, Standard Information, Sections 1 through 3 of the Preliminary Interconnection Site Review Request must be completed for the notification to be valid. If mailed, the date of notification shall be the third day following the mailing of the Preliminary Interconnection Site Review Request. BEUD shall provide a copy of the Preliminary Interconnection Site Review Request to the customer upon request.

2. *Review by BEUD.* Following submission of the Preliminary Interconnection Site Review Request by the customer, BEUD will seek to review the plans of the facility interconnection and provide the results of its review to the customer, in writing, within 30 calendar days. If the customer requests that multiple interconnection site reviews be conducted BEUD will make reasonable efforts to provide the customer with the results of the review within a timely fashion. If BEUD cannot provide results within 90 days, BEUD will provide the customer with an estimated date by which it will complete the review. Any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

3. *Costs.* Any person submitting a preliminary interconnection site review shall be obligated to pay BEUD in advance for the estimated cost, if any, to respond to the request.

4. *Nonbinding Report.* The preliminary interconnection site review is non-binding and need only include existing data and does not require BEUD to conduct a study or other analysis of the proposed interconnection site in the event that data is not readily available. BEUD shall notify the customer if additional site screening may be required prior to interconnection of the facility.

5. *Standard Interconnection Agreement.* The preliminary interconnection site review does not relieve the customer of the requirement to execute a Standard Interconnection Agreement prior to interconnection of the facility.

**I hereby certify that, to the best of my knowledge, all of the information provided in this Preliminary Interconnection Site Review is true and correct and that I am authorized to execute this document on behalf of the Customer identified in Part A, Section 1.**

### **CUSTOMER**

Signature: \_\_\_\_\_

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

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

### **FOR BEUD USE ONLY**

- ☐ **APPROVED, subject to rule compliance**
- ☐ **APPROVED subject to rule compliance and attached conditions**
- DISAPPROVED**

**Upgrade Cost: \$** \_\_\_\_\_

**Signature** \_\_\_\_\_

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

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

# STANDARD INTERCONNECTION AGREEMENT

## **A. Standard Information**

### **1. Customer Information:**

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

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

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

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Electric Account Number to which the Interconnecting Facility is associated: \_\_\_\_\_

### **2. Generation Facility Information:**

Location (if different from above): \_\_\_\_\_

System Type (select one):    ☐ Solar            ☐ Other: \_\_\_\_\_

Generation Type:    ☐ Single Phase            -or-    ☐ Three Phase

*Report data below in Alternating Current (AC).*

Generation Power Rating (kW): \_\_\_\_\_ Capacity Factor: \_\_\_\_\_

Inverter Manufacturer: \_\_\_\_\_ Inverter Model: \_\_\_\_\_

Inverter Power Rating (kW) \_\_\_\_\_

Inverter Location: \_\_\_\_\_

Manual Disconnect Location: \_\_\_\_\_

**NOTICE: AN ADDITIONAL METER IS REQUIRED FOR INTERCONNECTION.**

*\*Attach a detailed electrical diagram of the Interconnecting Facility\**

### **3. Installation Information**

Electrical Contractor: \_\_\_\_\_ License Number: \_\_\_\_\_

Installed by: \_\_\_\_\_ Qualifications/Credentials: \_\_\_\_\_

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

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

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

### **4. Certification & Approval**

This system has been installed in compliance with the local Building/Electrical Code of the City of Paragould, Arkansas.

Inspector Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*(In lieu of signature of inspector, a copy of the final inspection certificate may be attached)*

Facility Interconnection Approved: \_\_\_\_\_ Date: \_\_\_\_\_

Metering Facility Verified: \_\_\_\_\_ Date: \_\_\_\_\_

## **B. Interconnection Agreement**

### **Terms & Conditions**

1. *Customer Assurances.* By executing this document below, Customer assures BEUD that the system has been installed in accordance with BEUD Net Metering Rules, that the Customer has been given system warranty information and operation manual, and that Customer has been instructed in the safe operation of the system.

2. *Interruption or Reduction of Deliveries.* BEUD shall not be obligated to accept and may require Customer to interrupt or reduce deliveries when necessary to construct, install, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or if it reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices. Whenever possible, BEUD shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required. Notwithstanding any other provision of this Agreement, if at any time BEUD reasonably determines that either the facility may endanger the BEUD's personnel or other persons or property, or the continued operation of the Customer's facility may endanger the integrity or safety of BEUD's electric system, BEUD shall have the right to disconnect and lock out Customer's facility from the BEUD electric system. Customer's facility shall remain disconnected until BEUD is reasonably satisfied that the conditions referenced in this Section have been corrected.

3. *Interconnection.* Customer shall deliver the as-available energy to BEUD at BEUD's meter. BEUD shall furnish and install one standard kilowatt hour meter. Customer shall provide and install a suitable meter socket for BEUD's meter and any related interconnection equipment per BEUD's technical requirements, including safety and performance standards. Customer shall submit a Standard Interconnection Agreement to BEUD at least sixty (60) days prior to the date the customer intends to interconnect to BEUD's facilities. Part

A, Standard Information, Sections 1 through 3 of the Standard Interconnection Agreement must be completed and valid. Customer must have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement.

4. *Timely Review.* Following submission of the Standard Interconnection Agreement by Customer, BEUD will seek to review the facility plans and provide the results of its review to Customer, in writing, within thirty (30) calendar days. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits will be explained along with a description of the modifications necessary to remedy the violations.

5. *Required Upgrades.* If BEUD's existing facilities are not adequate for interconnection, the Customer shall pay the cost of additional or reconfigured facilities prior to the installation or reconfiguration of the facilities.

6. *Manual Disconnect.* To prevent an Interconnecting Customer from back-feeding a de-energized line, Customer must install a manual disconnect switch with lockout capability that is accessible to BEUD personnel at all hours.

7. *National Safety Standards.* Customer, at his own expense, shall meet all safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).

8. *Local Safety Standards.* Customer, at his own expense, shall meet all safety and performance standards adopted by BEUD that are necessary to assure safe and reliable operation of the Interconnecting Facility to BEUD's system.

9. *Operation Contingent on Inspection and Approval.* Customer shall not commence Parallel Operation of an Interconnecting Facility

until the Facility has been inspected and approved by BEUD. Such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, BEUD's approval to operate the Customer's Interconnecting Facility in parallel with the BEUD's electrical system should not be construed as an endorsement, confirmation, warranty, guarantee, or representation concerning the safety, operating characteristics, durability, or reliability of Customer's Net-Metering Facility.

10. *Modifications or Changes.* Prior to being made, Customer shall notify BEUD of, and BEUD shall evaluate, any modifications or changes to the Interconnecting Facility described in Part A, Standard Information, Section 2 of the Standard Interconnection Agreement. The notice provided by Customer shall provide detailed information describing the modifications or changes to BEUD in writing, including a revised Standard Interconnection Agreement that clearly identifies the changes to be made. BEUD will seek to review the proposed changes to the facility and provide the results of its evaluation to Customer, in writing, within thirty (30) calendar days of receipt of Customer's proposal. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations. If Customer makes such modification without BEUD's prior written authorization and the execution of a new Standard Interconnection Agreement, BEUD shall have the right to suspend all services.

11. *Maintenance and Permits.* Customer shall obtain any governmental authorizations and permits required for the construction and operation of the Interconnecting Facility and related equipment. Customer shall maintain the Interconnecting Facility and related equipment in a safe and reliable manner and in conformance with all applicable laws and regulations.

12. *Access to Premises.* BEUD may enter the Customer's premises to inspect the Customer's protective devices and read or test

the meter. BEUD may disconnect the Interconnecting Facilities without notice if BEUD reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, or BEUD's facilities, or property of others from damage or interference caused by Customer's facilities, or lack of properly operating protective devices.

**13. *Liability and Indemnity.* NEITHER BEUD, ITS OFFICERS, AGENTS OR EMPLOYEES SHALL BE LIABLE FOR ANY CLAIMS, DEMANDS, COSTS, LOSSES, CAUSES OF ACTION, OR ANY OTHER LIABILITY OF ANY NATURE OR KIND, ARISING OUT OF THE ENGINEERING, DESIGN, CONSTRUCTION, OWNERSHIP, MAINTENANCE OR OPERATION OF, OR THE MAKING OF REPLACEMENTS, ADDITIONS OR BETTERMENT TO, OR BY FAILURE OF, CUSTOMER'S FACILITIES BY CUSTOMER OR ANY OTHER PERSON OR ENTITY. CUSTOMER SHALL INDEMNIFY THE CITY OF PARAGOULD, ARKANSAS AND BEUD (COLLECTIVELY REFERRED TO AS "CITY"), ITS DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES AGAINST ALL LOSS, DAMAGES, EXPENSE AND LIABILITY TO THIRD PERSONS FOR INJURY TO OR DEATH OF PERSONS OR INJURY TO PROPERTY CAUSED BY CUSTOMER'S ENGINEERING, DESIGN, CONSTRUCTION, OWNERSHIP, MAINTENANCE OR OPERATIONS OF, OR THE MAKING OF REPLACEMENTS, ADDITIONS OR BETTERMENT TO, OR BY FAILURE OF, ANY OF CUSTOMER'S WORKS OR FACILITIES USED IN CONNECTION WITH THIS AGREEMENT BY REASON OF OMISSION OR NEGLIGENCE, WHETHER ACTIVE OR PASSIVE. CUSTOMER SHALL, ON CITY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. CUSTOMER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY THE CITY IN ENFORCING THIS INDEMNITY.**

14. *Term of Agreement.* This Agreement shall be effective when signed by both parties and continue until modified or terminated in accordance with its terms or applicable ordinances, regulations or other laws.

15. *Assignment.* This Agreement and all provisions hereof shall inure to and be binding upon the respective Parties hereto, their personal representatives, heirs, successors, and assigns. Customer shall not assign this Agreement or any part hereof without the prior written consent of BEUD, and such unauthorized assignment may result in termination of this Agreement.

16. **WARNING.** POSSIBLE RULES OR RATE CHANGES, OR BOTH, THAT AFFECT THE OPERATION OR FINANCIAL FEASIBILITY OF AN INTERCONNECTING FACILITY COULD OCCUR IN THE FUTURE. INTERCONNECTING FACILITY OWNERS ARE ADVISED THAT THEY MUST REMAIN AWARE OF AND COMPLIANT WITH ALL LAWS AND REGULATIONS.

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**Customer Certification**

I hereby certify that all information provided is true and correct, to the best of my knowledge, and that I have read and understand the Terms and Conditions of this Agreement.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed by their duly authorized representatives.

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

Print: \_\_\_\_\_

Signed: \_\_\_\_\_

**BEUD Certification**

I hereby certify that: (1) I am a duly authorized representative of BEUD; (2) I have examined the documents and generating facility proposed for interconnection described in Part A, Sections 1-3; and (3) I have determined that interconnection is authorized in accordance with BEUD's regulations.

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

Print: \_\_\_\_\_

Signed: \_\_\_\_\_

## **CUSTOMER BILL CALCULATIONS**

A. **Residential and Non-demand Metered Customers.** First, BEUD will determine the Energy Charge applicable to residential and non-demand metered Net-Metering Customers by summing all hourly energy measurements during hours that energy flows from BEUD to the Net Metering Customer and then multiplying that sum by the applicable retail rate. Next, BEUD will determine the Energy Credit by summing all hourly energy measurements during hours that energy flows from the Net Metering Customer to BEUD and multiplying the sum by the Avoided Cost Rate. The Monthly Energy Charge shall be the greater of: (i) \$0, and (ii) the Energy Charge as reduced by the Energy Credit and Accumulated Net Excess Generation Credit, if any. Monthly service charges, applicable riders, and the like, shall be applied as shown in the applicable rate schedule without reduction. The steps described above are reflected in the following calculations:

**Energy Charge** =  $\Sigma$  (Hourly Measurements of BEUD Delivered Energy) x Retail Rate

**Energy Credit** =  $\Sigma$  (Hourly Measurements of Customer Delivered Energy) x Avoided Cost Rate

**Net Excess Generation Credit** = The amount which the Energy Credit exceeds the Energy Charge during a billing period, which may accumulate from one month to the next as the Accumulated Net Excess Generation Credit.

**Monthly Energy Charge** = the greater of: (a) \$0 and (b) Energy Charge – Energy Credit – Accumulated Net Excess Generation Credit.

### **Customer Bill Calculation:**

Monthly Service Charge + Applicable Riders + Monthly Energy Charge = Total Bill

B. **Demand Metered Customers (Avoided Cost Option).** First, BEUD will determine the Energy Charge applicable to demand metered Net-Metering Customers who select the avoided cost option by summing all hourly energy measurements during hours that energy flows from BEUD to the Net Metering Customer and then multiplying that sum by the applicable retail rate. Next, BEUD will determine the Energy Credit by summing all hourly energy measurements during hours that energy flows from the Net Metering Customer to BEUD and multiplying the sum by the Avoided Cost Rate. The Monthly Energy Charge shall be the greater of: (i) \$0, and (ii) the Energy Charge as reduced by the Energy Credit and Accumulated Net Excess Generation Credit, if any. Monthly service charges, demand charges, applicable riders, and the like, shall be applied as shown in the applicable rate schedule without reduction. The steps described above are reflected in the following calculations:

**Energy Charge** =  $\Sigma$  (Hourly Measurements of BEUD Delivered Energy) x Retail Rate

**Energy Credit** =  $\Sigma$  (Hourly Measurements of Customer Delivered Energy) x Avoided Cost Rate

**Net Excess Generation Credit** = The amount which the Energy Credit exceeds the Energy Charge during a billing period, which may accumulate from one month to the next as the Accumulated Net Excess Generation Credit.

**Monthly Energy Charge** = the greater of: (a) \$0 and (b) Energy Charge – Energy Credit – Accumulated Net Excess Generation Credit.



**Customer Bill Calculation:**

Monthly Service Charge + Demand Charge + Applicable Riders + Monthly Energy Charge = Total Bill

C. **Demand Metered Customers (Grid Charge Option).** BEUD will determine the Energy Charge for demand metered Net-Metering Customer who select the Grid Charge Option by applying the applicable retail rate to the amount of energy delivered from BEUC to the Net-Metering Customer less the amount of energy delivered by the Net-Metering Customer to BEUD. The Monthly Energy Charge shall be the greater of: (i) \$0, and (ii) the Energy Charge as reduced by Accumulated Net Excess Generation Credit, if any. Monthly service charges, demand charges, grid charges, applicable riders, and the like, shall be applied as shown in the applicable rate schedule without reduction. The steps described above are reflected in the following calculations:

**Energy Charge** =  $\Sigma$  (Hourly Measurements of BEUD Delivered Energy) x Retail Rate

**Energy Credit** =  $\Sigma$  (Hourly Measurements of Customer Delivered Energy) x Avoided Cost Rate

**Carryover Energy Credit** = The amount which the Energy Credit exceeds the Energy Charge during a billing period, which may accumulate from one month to the next.

**Net Energy Charge** = Energy Charge – Energy Credit – Carryover Energy Credit

**Customer Bill Calculation:**

Monthly Service Charge + Demand Charge + Grid Charge + Applicable Riders + Monthly Energy Charge = Total Bill

D. **Expanded Net-Metering Customers.** BEUD will determine the Energy Charge applicable to Expanded Net-Metering Customers by multiplying the energy consumed by the Expanded Net Metering Customer by the applicable retail rate. Next, BEUD will determine the Energy Credit by multiplying the energy generated by the Expanded Net Metering Customer by the Avoided Cost Rate. The Monthly Energy Charge shall be the greater of: (i) \$0, and (ii) the Energy Charge as reduced by the Energy Credit. Monthly service charges, demand charges, applicable riders, and the like, shall be applied as shown in the applicable rate schedule without reduction. The steps described above are reflected in the following calculations:

**Energy Charge** =  $\Sigma$  (Hourly Measurements of BEUD Delivered Energy) x Retail Rate

**Energy Credit** =  $\Sigma$  (Hourly Measurements of Customer Delivered Energy) x Avoided Cost Rate

**Carryover Energy Credit** = The amount which the Energy Credit exceeds the Energy Charge during a billing period, which may accumulate from one month to the next.

**Net Energy Charge** = Energy Charge – Energy Credit – Carryover Energy Credit

**Customer Bill Calculation:**

Monthly Service Charge + Demand Charge + Grid Charge + Applicable Riders + Monthly Energy Charge = Total Bill