

A. Availability:

Available to any customer-generator with a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Frankfort Plant Board's (FPB) electric distribution system to provide all or part of Customer's electrical requirements. The generation facility shall be limited to a maximum rated capacity of 30 kilowatts. FPB will make this service available to customer-generators on a first-come, first-served basis up to a cumulative capacity of one percent (1%) of the utility's single hour peak load during the previous year.

B. Metering & Billing:

Net metering service shall be measured using a single meter or, as determined by FPB, additional meters and shall be measured in accordance with standard metering practices by metering equipment capable of registering power flow in both directions for each time period. This net metering equipment shall be provided without any cost to the Customer. This provision does not relieve Customer's responsibility to pay metering costs embedded in the FPB's approved base rates. Additional meters, requested by Customer, will be provided at Customer's expense. All meter bases, generating equipment and installation (except for the metering equipment) is provided by and at Customer's expense.

If electricity generated by Customer and fed back to FPB's system exceeds the electricity supplied to Customer from the system during a billing period, Customer shall receive a credit for the net delivery on Customer's bill for the succeeding billing periods. Any such unused excess credits will be carried forward and drawn on by Customer as needed. Unused excess credits existing at the time Customer's service is terminated end with Customer's account and are not transferrable between customers or locations. As stated in Section III. S-11, FPB will purchase energy from approved "net metering" facilities at the retail rate that it sells energy to the customer adjusted by the Power Cost Adjustment per KWH, as applied to the Board's purchase from its wholesale supplier for the same period.

C. Net Metering Service Interconnection Guidelines:

I. General:

Customer shall operate the generating facility in parallel with FPB's system under the following conditions and any other conditions required by FPB where unusual circumstances arise not covered herein:

- a. Customer or their representative to operate and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between Customer's and FPB's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as FPB's system voltage.
- b. Customer will be responsible for operating all generating facilities owned by Customer, except as specified hereinafter. Customer will maintain its system in synchronization with FPB's system.
- c. Customer will be responsible for any damage done to FPB's equipment due to failure of Customer's control, safety, or other equipment.
- d. Customer agrees to inform FPB of any changes it wishes to make to its generating or associated facilities that differ from those initially installed and described to FPB in writing and obtain prior approval from FPB.
- e. FPB will have the right to inspect and approve Customer's facilities described herein, and to conduct any tests necessary to determine that such facilities are installed and operating properly; however, FPB will have no obligation to inspect, witness tests, or in any manner be responsible for Customer's facilities or operation thereof. Any tests performed by FPB are done solely for FPB's own use and FPB does not warrant that Customer's system will perform properly.

FPB EXPRESSLY DISCLAIMS ANY TYPE OF WARRANTY INCLUDING ANY EXPRESS OR IMPLIED WARRANTY OR WARRANTY OR MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE.

- f. Customer assumes all responsibility for the electric service on Customer's premises at and from the point of delivery of electricity from FPB and for the wires and equipment used in connection therewith.

II. Level 1:

A Level 1 installation is defined as an inverter-based generator certified as meeting the requirements of Underwriters Laboratories Standard 1741 and meeting the following conditions:

- a. The aggregated net metering generation on a radial distribution circuit will not exceed 15% of the line section's most recent one-hour peak load. A line section is the smallest part of the primary distribution system the generating facility could remain connected to after operation of any sectionalizing devices.
- b. The aggregated net metering generation on a shared singled-phase secondary will not exceed 20 kVA or the nameplate rating of the service transformer.
- c. A single-phase net metering generator interconnected on the center tap neutral of a 240-volt service shall not create an imbalance between the two sides of the 240-volt service of more than 20% of the nameplate rating of the service transformer.
- d. A net metering generator interconnected to FPB's three-phase, three-wire primary distribution lines, shall appear as a phase-to-phase connection to FPB's primary distribution line.
- e. A net metering generator interconnected to FPB's three-phase, four-wire primary distribution lines, shall appear as an effectively grounded source to FPB's primary distribution line.
- f. A net metering generator will not be connected to an area or spot network.
- g. There are no identified violations of the applicable provisions of IEEE 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems".
- h. FPB will not be required to construct any facilities on its own system to accommodate the net metering generator.

Customer desiring a Level 1 interconnection shall submit a "LEVEL 1 - Application for Interconnection and Net Metering." FPB shall notify Customer within 20 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the FPB will notify Customer, and the time between notification and submission of the information shall not be counted towards the 20 business days. Approval is contingent upon an initial inspection and witness test at the discretion of FPB.

III. Level 2:

A Level 2 installation is defined as generator that is not inverter-based; that uses equipment not certified as meeting the

requirements of Underwriters Laboratories Standard 1741, or that does not meet one or more of the conditions required of a Level 1 net metering generator. A Level 2 Application will be approved if the generating facility meets the FPB's technical interconnection requirements based on IEEE 1547. Customer desiring a Level 2 interconnection shall submit a "LEVEL 2 - Application for Interconnection and Net Metering." FPB shall notify Customer within 30 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the FPB will notify Customer, and the time between notification and submission of the information shall not be counted towards the 30 business days. Approval is contingent upon an initial inspection and witness test at the discretion of FPB.

Customer submitting a "Level 2 - Application for Interconnection and Net Metering" will provide a non-refundable inspection and processing fee of \$100, and in the event that the FPB determines an impact study to be necessary, shall be responsible for any reasonable documented costs for the initial impact study,

Additional studies requested by Customer shall be at Customer's expense.

D. Conditions of Interconnection:

Customer may operate their net metering generator in parallel with FPB's system only after the Customer has submitted FPB's written Application for Interconnection and Net Metering and received approval from FPB. Prior to approval from FPB the Customer must show compliance with all applicable tariff regulations and the following conditions:

- I. Customer or their representative shall install, operate, and maintain, at Customer's sole cost and expense, any control, protective, or other equipment on Customer's system required by FPB's technical interconnection requirements based on IEEE 1547, NEC, accredited testing laboratories, and the manufacturer's suggested practices for safe, efficient and reliable operation of the net metering generating facility in parallel with FPB's system. Customer bears full responsibility for the installation, maintenance and safe operation of the net metering generating facility. Upon reasonable request from FPB, Customer shall demonstrate compliance.
- II. Customer shall represent and warrant compliance of the net metering generator with:

- a. Any applicable safety and power standards established by IEEE and accredited testing laboratories;
 - b. NEC, as may be revised from time-to-time;
 - c. FPB's rules and regulations and Terms and Conditions, as may be revised from time-to-time by FPB;
 - d. All other local, state, and federal codes and laws, as may be in effect from time-to-time.
- III. Any changes or additions to FPB's system required to accommodate the net metering generator shall be Customer's financial responsibility and FPB shall be reimbursed for such changes or additions prior to construction.
- IV. Customer shall operate the net metering generator in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of FPB's electric system. Customer shall so operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by FPB to any of its other customers or to any electric system interconnected with FPB's electric system.
- V. Customer shall be responsible for protecting, at Customer's sole cost and expense, the net metering generating facility from any condition or disturbance on FPB's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges, except that the FPB shall be responsible for repair of damage caused to the net metering generator resulting solely from the willful misconduct on the part of the FPB.
- VI. Following the initial testing and inspection of the generating facility and upon reasonable advance notice to Customer, FPB shall have access at reasonable times to the generating facility to perform reasonable on-site inspections to verify that the installation, maintenance and operation of the net metering generator comply with the requirements of this tariff
- VII. For Level 1 and 2 generating facilities the Customer shall furnish and install on Customer's side of the point of interconnection a safety disconnect switch which shall be capable of fully disconnecting Customer's net metering generator from FPB's electric service under the full rated conditions of Customer's net metering generator. The external disconnect switch (EDS) shall be located adjacent to FPB's meters or the location of the EDS shall be noted by placing a sticker on the meter, and shall be of the visible break type in a metal

enclosure which can be secured by a padlock. If the EDS is not located directly adjacent to the meter, Customer shall be responsible for ensuring the location of the EDS is properly and legibly identified for so long as the net metering generator is operational. The disconnect switch shall be accessible to FPB personnel at all times. FPB may waive the requirement for an external disconnect switch for a net metering generator at its sole discretion, and on a case by case basis.

- VIII. FPB shall have the right and authority at FPB's sole discretion to isolate the generating facility or require the Customer to discontinue operation of the net metering generator if FPB believes that:
- a. Continued interconnection and parallel operation of the net metering generator with FPB's electric system creates or contributes (or may create or contribute) to a system emergency on either FPB's or Customer's electric system;
 - b. The net metering generator is not in compliance with the requirements of this rate schedule, and the non-compliance adversely affects the safety, reliability or power quality of FPB's electric system; or
 - c. the net metering generator interferes with the operation of FPB's electric system.

In non-emergency situations, FPB shall give Customer notice of noncompliance including a description of the specific noncompliance condition and allow Customer a reasonable time to cure the noncompliance prior to isolating the Generating Facilities. In emergency situations, where the FPB is unable to immediately isolate or cause Customer to isolate only the net metering generator, FPB may isolate Customer's entire facility.

- IX. Customer agrees that, without the prior written permission from FPB, no changes shall be made to the generating facility as initially approved. Increases in net metering generator capacity will require a new "Application for Interconnection and Net Metering" which will be evaluated on the same basis as any other new application. Repair and replacement of existing generating facility components with like components that meet UL 1741 certification requirements for Level 1 facilities and not resulting in increases in net metering generator capacity is allowed without approval.
- X. Customer shall, indemnify, defend and hold harmless FPB and its directors, officers, employees, agents, representatives and

contractors against and from all loss, claims, actions or suits, including costs and attorney's fees, for or on account of any injury or death of persons or damage to property resulting from, relating to, arising out of, or in connection with Customer or Customer's employees, agents, representatives or contractors in tampering with, repairing, maintaining or operating Customer's net metering generator or any related equipment or any facilities owned by FPB.

The liability of FPB to Customer for injury to person or property shall be limited to the net metering application fee.

- XI. Customer shall maintain general liability insurance coverage (through a standard homeowner's, commercial or other policy) for generating facilities. Customer shall upon request provide FPB with proof of such insurance at the time that application is made for net metering.
- XII. By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, FPB does not make any representation or give any warranty, express or implied, warranty of merchantability or fitness for a particular purpose as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.
- XIII. Customer's generating facility is transferable to other persons or service locations only after notification to the FPB has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved generating facility is being transferred to another person, customer, or location, the FPB will verify that the installation is in compliance with this tariff and provide written notification to the customer(s) within 20 business days. If the installation is no longer in compliance with this tariff, the FPB will notify Customer in writing and list what must be done to place the facility in compliance.
- XIV. Customer shall retain any and all Energy Credits generated by Customer's generating facilities. Unused excess credits existing at the time Customer's service is terminated end with Customer's account and are not transferrable between customers or locations.

E. Definitions:

"Billing period" shall be the time period between the dates on which FPB issues the customer's bills.