



MEMBER RELATIONS POLICY NO. 416

1. SUBJECT: INTERCONNECTION AND NET METERING OF MEMBER GENERATION RESOURCES SMALLER THAN 25 KW

2. OBJECTIVE:

Beartooth Electric Cooperative, Inc. (BEC) recognizes that BEC Member-owners (Members) may want to take advantage of renewable on-site generation resources. This policy outlines the means and requirements for interconnection and net metering of this generation with BEC's electric distribution system. BEC intends to enable interconnection and net metering under terms and conditions that do not adversely affect other members economically or the quality of service provided by BEC.

3. POLICY:

3.1. Availability and Requirements

Members who add distributed generation on their property and are interconnected to BEC's electric distribution system shall be governed by this policy. When a Member participates in net metering and interconnects to BEC's electric distribution system, the following minimum requirements must be met:

- 3.1.1. The parties must sign an Interconnection and Net Metering Agreement that outlines specific terms and conditions.
- 3.1.2. The generation source must be renewable including but not limited to wind, solar, geothermal, hydro or fuel cells (if powered from a renewable source).

3.2. Net Metering Program

Net Metering is defined as the interconnection of Member-owned electric generation from a renewable source to BEC's electric distribution system, in which the electricity generated by the Member which is fed back to BEC's electric distribution system and netted against the electricity delivered by BEC to the Member within the following guidelines:

- 3.2.1. Nameplate generating capacity shall not exceed 25 KW. This limit may be increased at the discretion of the BEC Board of Trustees.
- 3.1.1. Member generation is intended to offset part or all of the Member's annual electricity consumption at the service location.

- 3.2.3. Costs associated with interconnecting or administering net metering systems are the responsibility of the Member.
- 3.2.4. All costs above standard metering will be borne by the Member including, but not limited to, modifications to an existing meter base.

4. BILLING:

- 4.1. If the electricity supplied by BEC during a monthly billing period exceeds the Member-generated electricity that flowed back to BEC during the billing period, the Member will be:
 - 4.1.1. Billed for the base or facilities charge at the applicable retail rate.
 - 4.1.2. If applicable, billed for the maximum demand at the applicable retail rate.
 - 4.1.3. Billed for net electricity at the applicable retail rate. If unused net electricity credit exists from previous billing periods, Member will be credited up to the full amount of net electricity used during the applicable billing period. Remaining unused net electricity credit will be carried forward to future billing periods subject to the provisions of Section 4.3.
- 4.2. If electricity generated by the Member and flowed back to BEC during a monthly billing period exceeds the electricity supplied by BEC, the Member will be:
 - 4.2.1. Billed for the base or facilities charge at the applicable retail rate.
 - 4.2.2. If applicable, billed for maximum demand at the applicable retail rate.
 - 4.2.3. Credited for the net electricity generated during the billing period, with this net electricity credit appearing on the bill for the following billing period. If unused net electricity credit exists from a previous billing period, they will be carried forward to the next billing period. Unused net electricity credit at the end of the applicable 12-month billing period will be carried forward to future billing periods subject to the provisions of Section 4.3.
- 4.3. Annual True-up
 - 4.3.1. Montana: April 1 is designated as the beginning date of a 12-month billing period for Facilities located in Montana. Any remaining unused net electricity credit accumulated during the previous 12-months will be reimbursed to the Member at BEC's avoided cost for resources.
 - 4.3.2. Wyoming: January 1 is designated as the beginning date of a 12-month billing period for Facilities located in Wyoming. Any remaining unused

net electricity credit accumulated during the previous 12-months will be reimbursed to the Member at BEC's avoided cost for resources.

5. INTERCONNECTION REQUIREMENTS:

- 5.1. BEC will inspect the installation prior to energizing, and any deficiencies noted by the inspection must be corrected prior to energizing.
- 5.2. This inspection will not relieve the Member of any liability. BEC reserves the right to inspect the installation at any future time to ensure correct operating parameters.
- 5.3. The Member shall not connect or operate generation until receiving written approval from BEC.
- 5.4. The Member's system shall be equipped and constructed such that it will automatically disconnect from a de-energized or faulted utility line. The protective requirements are intended to achieve the following:
 - 5.4.1. Ensure the safety of the general public, the Member, and BEC personnel.
 - 5.4.2. Minimize damage to property of the general public, BEC, and its Members.
 - 5.4.3. Minimize adverse operating conditions.
 - 5.4.4. To achieve these objectives, specific electricity protective equipment (inverters, relays, circuit breakers, etc.) must be installed. These devices ensure that faults or other abnormalities initiate prompt and appropriate disconnection of the Facility from BEC's electric distribution system. Protective equipment requirements depend upon the plan of service and will be specified in the Interconnection and Net Metering Agreement.

6. LIABILITY AND INDEMNIFICATION:

- 6.1. The Member must maintain in effect at all times comprehensive combined single limit bodily injury and property damage insurance coverage not less than \$2,000,000. This insurance is to protect the general public and BEC from damage attributable to the Members generation. BEC shall be a named party on the Policy with proof of insurance provided to BEC annually.
- 6.2. The member shall agree to indemnify and hold BEC harmless from any and all liability for damages, including attorney's fees and costs, caused by the operation of the Members generation. BEC recommends that Members discuss this provision with the Member's insurance carriers.

7. RESPONSIBILITY:

The General Manager shall ensure that the provisions of this policy are followed.

Adopted: 02/22/2013

Revised: 10/30/2018

Reference: LV Policy 607, BEC Policy VI-A-34

Review Date: October 2020

Attest: /s/ Kevin P. Owens, PE
General Manager

Attest:/s/ Julie Lindgren
Board President