Ordinance No. 09-05

AN ORDINANCE ADOPTING NET ENERGY METERING FOR THE CITY OF LEBANON UTILITIES

WHEREAS, the City of Lebanon, Indiana owns and operates its own electric utility under the supervision and control of the City of Lebanon Utility Service Board under IC 8-1.5-3-4, and the Board has recommended to the Council that it adopt by Ordinance a Net Metering program for use by electric utility customers. Based upon the Board's recommendation, and being duly advised, the Council has determined that the development of a Net Metering program in the City of Lebanon may encourage the use of renewable energy resources and renewable energy technologies as well as promote the wise use of Indiana's natural energy resources to meet growing electricity demand; and

WHEREAS, "Net Metering" is an arrangement of equipment for the production of electricity from the solar, wind, biomass, geothermal, or hydroelectric facilities that are owned and operated by residential, commercial or industrial customers of the City utility which allows a customer to offset its use of electricity by spinning the customer's electric meter backwards, effectively crediting the customer for electricity contributed to the grid; and

WHEREAS, under a Net Metering arrangement, in those instances when the Net Metering customer's facility is not producing sufficient electricity to meet the customer's needs, the customer-generator purchases electricity from the utility under a typical retail service schedule or tariff. Conversely, any electricity produced by a customer in excess of the customer's needs is fed into the utility grid and offsets the customer's electric bill; and

WHEREAS, the Council believes development of a Net Metering program that encourages energy users to become more energy efficient reduces demand and potentially reduces energy bills, is an appropriate undertaking for the benefit of ratepayers and is in the public interest;

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEBANON:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The City of Lebanon encourages interested citizens and businesses to invest in renewable electric energy generation systems and enter into a Net Metering arrangement with the municipal electric utility of the City of Lebanon.

SECTION 3. "Eligible Net Metering Customers" include residential, commercial, and industrial customers in good standing that own and operate a solar, wind, biomass, geothermal, or hydroelectric generating facility that: (a) has a nameplate capacity less than or equal to ten (10) kilowatts (kW); (b) is located on the customer's premises and is operated by the customer; and (3) is used primarily to offset all or part of the customer's own electricity requirements.

SECTION 4. The Council authorizes the utility to offer Net Metering to Eligible Net Metering Customers on a first come, first served basis. The utility shall limit the aggregate amount of net metering facility nameplate capacity from all Eligible Net Metering Customers to one-tenth of one percent (0.1%) of the utility's most recent summer peak load.

SECTION 5. The Utility shall measure the difference between the amount of energy delivered by the Utility to the Eligible Net Metering Customer and the amount of energy generated by the Eligible Net Metering Customer and delivered to the Utility. If the Eligible Net Metering Customer generates more energy than it consumes in a month, the customer shall receive a bill credit from the utility for the amount of surplus energy generated. The utility shall not purchase or wheel power produced by an Eligible Net Metering Customer's facilities.

SECTION 6. The attached "Net Metering Tariff" shall be adopted as the terms and conditions under which the utility will offer Net Metering to Eligible Net Metering Customers.

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[The attached Net Metering Tariff shall be filed with and become effective upon approval by the Indiana Utility Regulatory Commission.]

SECTION 7. In accordance with the terms of the attached Net Metering Tariff, the utility shall enter into an interconnection agreement with the Eligible Net Metering Customer, which incorporates technical interconnection requirements and does not conflict with this Ordinance before the Net Metering facility may be interconnected with the utility's system.

Effective Date. This ordinance shall be in full force and effect from and after its passage.

PASSED AND ADOPTED by the Common Council of the City of Lebanon, Indiana, this _/O _day of ________, 2009.

COMMON COUNCIL OF	
CITY OF LEBANON	011/1/2
Harold Huch Tuning	Theke Kincay
Mayor Huck Lewis	Mike Kingeld
Sick Robot	
Dick Robertson	Seromy Lamar
Keith Campbell	Stue Large,
Keith Campbell	Steve Large
Jan Capelano	THE MAN
John Coneland	Brent Wheat

ATTEST:

Clerk-Treasurer - Debbie Ottinger

Ordinance No. 09-

AN ORDINANCE ADOPTING NET ENERGY METERING FOR THE CITY OF LEBANON UTILITIES

WHEREAS, the City of Lebanon, Indiana owns and operates its own electric utility under the supervision and control of the City of Lebanon Utility Service Board under IC 8-1.5-3-4, and the Board has recommended to the Council that it adopt by Ordinance a Net Metering program for use by electric utility customers. Based upon the Board's recommendation, and being duly advised, the Council has determined that the development of a Net Metering program in the City of Lebanon may encourage the use of renewable energy resources and renewable energy technologies as well as promote the wise use of Indiana's natural energy resources to meet growing electricity demand; and

WHEREAS, "Net Metering" is an arrangement of equipment for the production of electricity from the solar, wind, biomass, geothermal, or hydroelectric facilities that are owned and operated by residential, commercial or industrial customers of the City utility which allows a customer to offset its use of electricity by spinning the customer's electric meter backwards, effectively crediting the customer for electricity contributed to the grid; and

WHEREAS, under a Net Metering arrangement, in those instances when the Net Metering customer's facility is not producing sufficient electricity to meet the customer's needs, the customer-generator purchases electricity from the utility under a typical retail service schedule or tariff. Conversely, any electricity produced by a customer in excess of the customer's needs is fed into the utility grid and offsets the customer's electric bill; and

WHEREAS, the Council believes development of a Net Metering program that encourages energy users to become more energy efficient reduces demand and potentially reduces energy bills, is an appropriate undertaking for the benefit of ratepayers and is in the public interest;

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEBANON:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The City of Lebanon encourages interested citizens and businesses to invest in renewable electric energy generation systems and enter into a Net Metering arrangement with the municipal electric utility of the City of Lebanon.

SECTION 3. "Eligible Net Metering Customers" include residential, commercial, and industrial customers in good standing that own and operate a solar, wind, biomass, geothermal, or hydroelectric generating facility that: (a) has a nameplate capacity less than or equal to ten (10) kilowatts (kW); (b) is located on the customer's premises and is operated by the customer; and (3) is used primarily to offset all or part of the customer's own electricity requirements.

SECTION 4. The Council authorizes the utility to offer Net Metering to Eligible Net Metering Customers on a first come, first served basis. The utility shall limit the aggregate amount of net metering facility nameplate capacity from all Eligible Net Metering Customers to one-tenth of one percent (0.1%) of the utility's most recent summer peak load.

SECTION 5. The Utility shall measure the difference between the amount of energy delivered by the Utility to the Eligible Net Metering Customer and the amount of energy generated by the Eligible Net Metering Customer and delivered to the Utility. If the Eligible Net Metering Customer generates more energy than it consumes in a month, the customer shall receive a bill credit from the utility for the amount of surplus energy generated. The utility shall not purchase or wheel power produced by an Eligible Net Metering Customer's facilities.

SECTION 6. The attached "Net Metering Tariff" shall be adopted as the terms and conditions under which the utility will offer Net Metering to Eligible Net Metering Customers.

[The attached Net Metering Tariff shall be filed with and become effective upon approval by the Indiana Utility Regulatory Commission.]

SECTION 7. In accordance with the terms of the attached Net Metering Tariff, the utility shall enter into an interconnection agreement with the Eligible Net Metering Customer, which incorporates technical interconnection requirements and does not conflict with this Ordinance before the Net Metering facility may be interconnected with the utility's system.

Effective Date. This ordinance shall be in full force and effect from and after its passage.

COMMON COUNCIL OF	
CITY OF LEBANON	011
karold "hers " Lemin	Muke Kincay!
Mayor Huck Lewis	Mike Kinggid
Dick Robot	Mary Small
Dick Robertson	Jerony Lamar
Keith Campbell	Stue Large.
Keith Campbell	Steve Large
Ju Capeline	THE MAN
John Copeland	Brent Wheat

ATTEST:

Clerk-Treasurer – Debbie Ottinger

NET METERING TARIFF

Issued: Effective:

AVAILABILITY

Net Metering is provided upon request and on a first-come, first-served basis. Net Metering is available to residential, commercial, and industrial customers in good standing that own and operate an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable generation source. The name plate rating of Customer's generator must not exceed 10 kW. Customers served under this tariff must also take service from the Utility under the otherwise applicable standard service tariff.

Total Net Metering participation under this tariff is limited to a total name plate rating of all Customers' generators of one-tenth of one percent (0.1%) of the Utility's most recent summer peak load.

DEFINITIONS

"Net Metering" means measuring the difference in an applicable billing period between the amount of electricity supplied by Utility to Customer who generates electricity using an eligible solar, wind, biomass, geothermal, hydroelectric or other renewable generation source and the amount of electricity generated by such respective Customer that is delivered to Utility.

BILLING

Monthly charges for energy and demand, where applicable, to serve the Customer's net or total load shall be determined according to the Utility's standard service tariff under which the Customer otherwise would be served, absent the Customer's eligible Net Metering facility. The measurement of net energy supplied by Utility and delivered to Utility shall be calculated in the following manner. Utility shall measure the difference between the amount of electricity delivered by Utility to Customer and the amount of electricity generated by the Customer and delivered to Utility during the billing period, in accordance with normal metering practices. If the kWh delivered by Utility to the Customer exceeds the kWh delivered by the Customer to Utility during the billing period, the Customer shall be billed for the kWh difference. If the kWh generated by the Customer and delivered to Utility exceeds the kWh supplied by the Utility to Customer during the billing period, the Customer shall be credited in the next billing cycle for the kWh difference. When Customer elects to discontinue Net Metering service, any unused credit will be granted to Utility. The Utility shall not purchase or wheel power produced by Net Metering facilities. Bill charges and credits will be in accordance with the standard tariff that would apply if the Customer did not participate in Net Metering under this tariff.

METERING:

The Customer's standard meter, if capable of measuring electricity in both directions, will be used. If Utility determines new metering is necessary, the Utility will install metering capable of Net Metering at the Customer's expense. Additionally, the Utility reserves the

right to install, at its own expense, a meter to measure the output of the solar, wind, biomass, geothermal, hydroelectric, or other renewable generation system.

TERMS AND CONDITIONS

In order to be eligible for Net Metering, the Customer's generator must meet the following requirements:

- a. All kWh must be generated from the output of solar, wind, biomass, geothermal, hydroelectric, or other renewable generation sources;
- b. The generation equipment must be operated by the customer and located on the Customer's premises;
- c. The generator must operate in parallel with the Utility's transmission and distribution facilities without adversely affecting the Utility's system and equipment and without presenting safety hazards or threats to the reliability of service to the Utility, its personnel and other Customers;
- d. The Customer's generation must be intended primarily to offset all or part of the Customer's requirements for electricity;
- e. The name plate rating of Customer's generator must not exceed 10 kW and the Customer's generation must satisfy the Interconnection requirements specified below.

Customer shall make an application for Interconnection Service and execute an Interconnection Agreement acceptable to the Utility.

Customer shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this tariff.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the Utility's General Terms and Conditions.

INTERCONNECTION

For generator systems 10 kW or smaller eligible for this tariff, the Utility's technical requirements consist of:

- a. IEEE 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE 1547).
- b. Current version of ANSI/NFPA 70, "National Electrical Code" (NEC).
- c. Any other applicable local building codes.

Inverter based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as revised January 17, 2001 (UL 1741), are accepted by the Utility as meeting the technical requirements of IEEE 1547 tested by UL 1741.

Conformance with these requirements does not convey any liability to the Utility for damages or injuries arising from the installation or operation of the generator system. The Utility may, at its own discretion, isolate any Net Metering facility if the Utility has reason

to believe that continued interconnection with the Net Metering facility creates or contributes to a system emergency. The Utility may perform reasonable on-site inspections to verify the proper installation and continuing safe operation of the Net Metering facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the Net Metering Customer.

Customer shall operate the Net Metering facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. Customers shall agree that the interconnection and operation of the facility is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its customers.

Customer's control equipment for the Net Metering facility shall immediately, completely, and automatically disconnect and isolate the facility from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system.

Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Net Metering facility in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation of the facility in parallel with Utility's electric system. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Net Metering facility. Customer shall be responsible for protecting, at Customer's sole cost and expense, the Net Metering facility from any condition or disturbance on Utility'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.

Upon reasonable advance notice to Customer, Utility shall have access at reasonable times to the Net Metering facility whether before, during or after the time facility first produces energy, to perform reasonable on-site inspections to verify that the installation and operation of the facility comply with the requirements of this tariff and to verify the proper installation and continuing safe operation of the facilities. Utility shall also have, at all times, immediate access to breakers or any other equipment that will isolate the Net Metering facility from Utility's electric system. In non-emergency situations, Utility shall give Customer reasonable notice prior to isolating the Net Metering facility.

Customer shall agree that, without the prior written permission from Utility, no changes shall be made to the configuration of the Net Metering facility, as that configuration is described in the Interconnection Agreement, and no relay or other control or protection settings specified in the Interconnection Agreement shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the facility complies with the Utility approved settings.

<u>Application</u> <u>For Interconnection of Net Metering Facilities</u>

Customer Name:
Customer Address:
Project Contact Person:
Phone No.:Email Address (Optional):
Provide names and contact information for other contractors and engineering firms involved in the design and installation of the generation facilities:
Total Generating Capacity of Customer's Generation Facilities:
Type of Generator: □ Inverter-Based □ Synchronous □ Induction
Power Source: ☐ Solar ☐ Wind ☐ Biomass ☐ Geothermal ☐ Hydroelectric ☐ Other Renewable (Describe)
Has the equipment package been certified by a nationally recognized testing and certification laboratory as complying with IEEE 1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (as amended and supplemented), and Underwriters Laboratories (UL) Standard 1741 on Inverters, Converters, and Controllers for Use in Independent Power Systems (January 2001)? ☐ Yes ☐ No
Indicate all possible operating modes for this generator facility:
☐ Emergency / Standby — Operated when Municipal Utility service is not available. Paralleling is for short durations.
 Peak Shaving - Operated during peak demand periods. Paralleling is for extended times. Base Load Power - Operated continuously at a pre-determined output. Paralleling is continuous.
☐ Cogeneration – Operated primarily to produce thermal energy. Paralleling is extended or continuous.
☐ Renewable non-dispatched – Operated in response to an available renewable resource such solar or wind. Paralleling is for extended times.
Other – Describe:
Will the Customer's Generation Facilities export power? ☐ Yes ☐ No If yes, how much?

For this application to be considered complete, adequate documentation and information must be submitted that will allow Utility to determine the impact of the Generation Facilities on Utility's electric system and to confirm compliance by Customer with the provisions of Utility's tariff. Typically this should include the following:

- 1. Single-line diagram of the Customer's system showing all electrical equipment from the generator to the point of interconnection with Utility's distribution system, including generators, transformers, switchgear, switches, breakers, fuses, voltage transformers, and current transformers.
- 2. Control drawings for relays and breakers.
- 3. Site Plans showing the physical location of major equipment.
- 4. Relevant ratings of equipment. Transformer information should include capacity ratings, voltage ratings, winding arrangements, and impedance.
- 5. If protective relays are used, settings applicable to the interconnection protection. If programmable relays are used, a description of how the relay is programmed to operate as applicable to interconnection protection.
- 6. For certified equipment, documentation confirming that a nationally recognized testing and certification laboratory has listed the equipment.
- 7. A description of how the generator system will be operated including all modes of operation.
- 8. For inverters, the manufacturer name, model number, and AC power rating, Operating manual or link to manufacture's web site containing such manual.
- 9. For synchronous generators, manufacturer and model number, nameplate ratings, and impedance data (Xd, X'd, & X''d).
- 10. For induction generators, manufacturer and model number, nameplate ratings, and locked rotor current.

This application is subject to further consideration and study by Utility and the possible need for additional documentation and information from Customer.

INTERCONNECTION AGREEMENT FOR NET METERING FACILITIES

this	("Custom	between Lebanon Utilities, and
herei	ereinafter sometimes referred to individually as "Party" or coll	ectively as "Parties".
	WITNESSETH:	
equip electi heret	WHEREAS, Customer is installing, or has installed, sydroelectric, or other renewable generation equipment, corquipment ("Generation Facilities") used to interconnect and lectric system, which Generation Facilities are more fully ereto and incorporated herein by this Agreement, and as follows:	ntrols, and protective relays and operate in parallel with Utility's described in Exhibit A, attached
The Land Street of Lot	ocation:	
Gene	Generator Size and Type:	; and
and	WHEREAS, the name plate rating of the Generation Fac	cilities does not exceed 10 kW;
	WHEREAS, Customer desires to receive service under	Utility's Net Metering tariff.
	NOW, THEREFORE, in consideration thereof, Custome	er and Utility agree as follows:
oner	1. Application. It is understood and agreed that the	

- Interconnection. Utility agrees to allow Customer to interconnect and operate the Generation Facilities in parallel with Utility's electric system in accordance with any operating procedures or other conditions specified in Exhibit A. By this Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Utility does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics of the Generation Facilities. The Generation Facilities installed and operated by or for Customer shall comply with, and Customer represents and warrants their compliance with: (a) the National Electrical Code and the National Electrical Safety Code, as each may be revised from time to time; (b) Utility's rules and regulations applicable to Net Metering Customers, and Utility's General Terms and Conditions for Electric Service, each as contained in Utility's Electric Tariff and as each as may be revised from time to time; and (c) all other applicable local, state, and federal codes and laws, as the same may be in effect from time to time. Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Generation Facilities in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation of the Generation Facilities in parallel with Utility's electric system. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Generation Facilities. Customer shall be responsible for protecting, at

Customer's sole cost and expense, the Generation Facilities from any condition or disturbance on Utility'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. Customer agrees that, without the prior written permission from Utility, no changes shall be made to the configuration of the Generation Facilities, as that configuration is described in Exhibit A, and no relay or other control or protection settings specified in Exhibit A shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the Generation Facilities comply with Utility approved settings.

- 3. Operation by Customer. Customer shall operate the Generation Facilities in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. At all times when the Generation Facilities are being operated in parallel with Utility's electric system, Customer shall operate the Generation Facilities in a manner that no disturbance will be produced to the service rendered by Utility to any of its other customers or to any electric system interconnected with Utility's electric system. Customer understands and agrees that the interconnection and operation of the Generation Facilities pursuant to this Agreement is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its customers. Customer's control equipment for the Generation Facilities shall immediately, completely, and automatically disconnect and isolate the Generation Facilities from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system. The automatic disconnecting device included in such control equipment shall not be capable of reclosing until after service is restored on Utility's electric system. Additionally, if the fault is with Customer's Generation Facilities, such automatic disconnecting device shall not be reclosed until after the fault is isolated from Customer's facilities. Upon Utility's request, Customer shall promptly notify Utility whenever such automatic disconnecting devices operate.
- 4. Access by Utility. Upon reasonable advance notice to Customer, Utility shall have access at reasonable times to the Generation Facilities whether before, during or after the time the Generation Facilities first produce energy, to perform reasonable on-site inspections to verify that the installation and operation of the Generation Facilities comply with the requirements of this Agreement and to verify the proper installation and continuing safe operation of the Generation Facilities. Utility shall also have at all times immediate access to breakers or any other equipment that will isolate the Generation Facilities from Utility's electric system. The cost of such inspection(s) shall be at Utility's expense; however, Utility shall not be responsible for any other cost Customer may incur as a result of such inspection(s). Utility shall have the right and authority to isolate the Generation Facilities at Utility's sole discretion if Utility believes that: (a) continued interconnection and parallel operation of the Generation Facilities with Utility's electric system creates or contributes (or will create or contribute) to a system emergency on either Utility's or Customer's electric system; (b) the Generation Facilities are not in compliance with the requirements of this Agreement, and the non-compliance adversely affects the safety, reliability or power quality of Utility's electric system; or (c) the Generation Facilities interfere with the operation of Utility's electric system. In nonemergency situations, Utility shall give Customer reasonable notice prior to isolating the Generating Facilities.
- 5. <u>Rates and Other Charges</u>. Monthly charges to serve the Customer's net load shall be determined with the Utility's Net Metering tariff and the standard service tariff under which the Customer otherwise would be served. This Agreement does not constitute an agreement by

Utility to purchase or wheel power produced by the Generation Facilities, or to furnish any backup, supplemental or other power or services associated with the Generation Facilities, and this Agreement does not address any charges for excess facilities that may be installed by Utility in connection with interconnection of the Generation Facilities. It is also understood that if any such excess facilities are required, including any additional metering equipment, as determined by Utility, in order for the Generation Facilities to interconnect with and operate in parallel with Utility's electric system, then a separate excess facilities agreement shall be executed by Utility and Customer.

- 6. <u>Insurance</u>. Customer shall procure and keep in force during all periods of parallel operation of the Generation Facilities with Utility's electric system, homeowners, commercial, or other insurance to protect the interests of Utility under this Agreement, with insurance carriers acceptable to Utility, and in amounts not less than one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this rider. Customer shall deliver a certificate of insurance verifying the required coverage to Utility at least fifteen (15) days prior to any interconnection of the Generation Facilities with Utility's electric system, and thereafter as requested by Utility.
- 7. <u>Indemnification</u>. Customer shall indemnify and hold harmless the Utility, City of Lebanon, its employees, representatives, agents and subcontractors from and against all claims, liability, damages and expenses, including attorney's fees, based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, an act or omission by the Customer, its employees, agents, representatives, successors or assigns in the construction, ownership, operation or maintenance of the Customer's facilities used in connection with this Agreement. Upon written request of the Utility, the Customer shall defend any suit asserting a claim covered by this Section 7. If Utility is required to bring an action to enforce its rights under this Section 7, either as a separate action or in connection with another action, and said rights are upheld, the Customer shall reimburse such Utility for all expenses, including attorney's fees, incurred in connection with such action.
- Effective Term and Termination Rights. This Agreement shall become effective 8. when executed by both Parties and shall continue in effect until terminated in accordance with the provisions of this Agreement. This Agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time by giving Utility at least sixty (60) days' prior written notice stating Customer's intent to terminate this Agreement at the expiration of such notice period; (b) Utility may terminate this Agreement at any time following Customer's failure to generate energy from the Generation Facilities in parallel with Utility's electric system within twelve (12) months after completion of the interconnection provided for by this Agreement; (c) either Party may terminate this Agreement at any time by giving the other Party at least sixty (60) days' prior written notice that the other Party is in default of any of the material terms and conditions of this Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity for the Party in default to cure the default; or (d) Utility may terminate this Agreement at any time by giving Customer at least sixty (60) days' prior written notice in the event that there is a change in an applicable rule or statute affecting this Agreement.
- 9. <u>Termination of Any Applicable Existing Agreement</u>. From and after the date when service commences under this Agreement, this Agreement shall supersede any oral and/or

written agreement or understanding between Utility and Customer concerning the service covered by this Agreement and any such agreement or understanding shall be deemed to be terminated as of the date service commences under this Agreement.

Force Majeure. For purposes of this Agreement, the term Force Majeure means 10. any cause or event not reasonably within the control of the Party claiming Force Majeure, including, but not limited to, the following: acts of God, strikes, lockouts, or other industrial disturbances; acts of public enemies; orders or permits or the absence of the necessary orders or permits of any kind which have been properly applied for from the government of the United States, the State of Indiana, any political subdivision or municipal subdivision or any of their departments, agencies or officials, or any civil or military authority; unavailability of a fuel or resource used in connection with the generation of electricity; extraordinary delay in transportation; unforeseen soil conditions; equipment, material, supplies, labor or machinery shortages; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; drought; arrest; war; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; breach of contract by any supplier, contractor, subcontractor, laborer or materialman; sabotage; injunction; blight; famine; blockade; or quarantine. If either Party is rendered wholly or partly unable to perform its obligations under this Agreement because of Force Majeure, both Parties shall be excused from whatever obligations under this Agreement are affected by the Force Majeure (other than the obligation to pay money) and shall not be liable or responsible for any delay in the performance of, or the inability to perform, any such obligations for so long as the Force Majeure continues. The Party suffering an occurrence of Force Majeure shall, as soon as is reasonably possible after such occurrence, give the other Party written notice describing the particulars of the occurrence and shall use commercially reasonable efforts to remedy its inability to perform; provided, however, that the settlement of any strike, walkout, lockout or other labor dispute shall be entirely within the discretion of the Party involved in such labor dispute.

Section 11. Choice of Law. This Agreement and the rights and duties of the parties arising out of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana without reference to the conflict of laws rules thereof. The parties hereby submit to the jurisdiction of the Courts of Indiana for purposes of all legal proceedings which may arise under this Agreement. The parties hereto irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which either may have or hereafter have to the personal jurisdiction of such court or the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first above written.

UTILITY	CUSTOMER	
By:	By:	
Printed Name:	Printed Name:	
Title:	Title:	

NET METERING TARIFF

Issued: Effective:

AVAILABILITY

Net Metering is provided upon request and on a first-come, first-served basis. Net Metering is available to residential, commercial, and industrial customers in good standing that own and operate an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable generation source. The name plate rating of Customer's generator must not exceed 10 kW. Customers served under this tariff must also take service from the Utility under the otherwise applicable standard service tariff.

Total Net Metering participation under this tariff is limited to a total name plate rating of all Customers' generators of one-tenth of one percent (0.1%) of the Utility's most recent summer peak load.

DEFINITIONS

"Net Metering" means measuring the difference in an applicable billing period between the amount of electricity supplied by Utility to Customer who generates electricity using an eligible solar, wind, biomass, geothermal, hydroelectric or other renewable generation source and the amount of electricity generated by such respective Customer that is delivered to Utility.

BILLING

Monthly charges for energy and demand, where applicable, to serve the Customer's net or total load shall be determined according to the Utility's standard service tariff under which the Customer otherwise would be served, absent the Customer's eligible Net Metering facility. The measurement of net energy supplied by Utility and delivered to Utility shall be calculated in the following manner. Utility shall measure the difference between the amount of electricity delivered by Utility to Customer and the amount of electricity generated by the Customer and delivered to Utility during the billing period, in accordance with normal metering practices. If the kWh delivered by Utility to the Customer exceeds the kWh delivered by the Customer to Utility during the billing period, the Customer shall be billed for the kWh difference. If the kWh generated by the Customer and delivered to Utility exceeds the kWh supplied by the Utility to Customer during the billing period, the Customer shall be credited in the next billing cycle for the kWh difference. When Customer elects to discontinue Net Metering service, any unused credit will be granted to Utility. The Utility shall not purchase or wheel power produced by Net Metering facilities. Bill charges and credits will be in accordance with the standard tariff that would apply if the Customer did not participate in Net Metering under this tariff.

METERING:

The Customer's standard meter, if capable of measuring electricity in both directions, will be used. If Utility determines new metering is necessary, the Utility will install metering capable of Net Metering at the Customer's expense. Additionally, the Utility reserves the right to install, at its own expense, a meter to measure the output of the solar, wind, biomass, geothermal, hydroelectric, or other renewable generation system.

TERMS AND CONDITIONS

In order to be eligible for Net Metering, the Customer's generator must meet the following requirements:

- a. All kWh must be generated from the output of solar, wind, biomass, geothermal, hydroelectric, or other renewable generation sources;
- b. The generation equipment must be operated by the customer and located on the Customer's premises;
- c. The generator must operate in parallel with the Utility's transmission and distribution facilities without adversely affecting the Utility's system and equipment and without presenting safety hazards or threats to the reliability of service to the Utility, its personnel and other Customers;
- d. The Customer's generation must be intended primarily to offset all or part of the Customer's requirements for electricity;
- e. The name plate rating of Customer's generator must not exceed 10 kW and the Customer's generation must satisfy the Interconnection requirements specified below.

Customer shall make an application for Interconnection Service and execute an Interconnection Agreement acceptable to the Utility.

Customer shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this tariff.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the Utility's General Terms and Conditions.

INTERCONNECTION

For generator systems 10 kW or smaller eligible for this tariff, the Utility's technical requirements consist of:

- a. IEEE 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE 1547).
- b. Current version of ANSI/NFPA 70, "National Electrical Code" (NEC).
- c. Any other applicable local building codes.

Inverter based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as revised January 17, 2001 (UL 1741), are accepted by the Utility as meeting the technical requirements of IEEE 1547 tested by UL 1741.

Conformance with these requirements does not convey any liability to the Utility for damages or injuries arising from the installation or operation of the generator system. The Utility may, at its own discretion, isolate any Net Metering facility if the Utility has reason

to believe that continued interconnection with the Net Metering facility creates or contributes to a system emergency. The Utility may perform reasonable on-site inspections to verify the proper installation and continuing safe operation of the Net Metering facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the Net Metering Customer.

Customer shall operate the Net Metering facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. Customers shall agree that the interconnection and operation of the facility is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its customers.

Customer's control equipment for the Net Metering facility shall immediately, completely, and automatically disconnect and isolate the facility from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system.

Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Net Metering facility in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation of the facility in parallel with Utility's electric system. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Net Metering facility. Customer shall be responsible for protecting, at Customer's sole cost and expense, the Net Metering facility from any condition or disturbance on Utility'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.

Upon reasonable advance notice to Customer, Utility shall have access at reasonable times to the Net Metering facility whether before, during or after the time facility first produces energy, to perform reasonable on-site inspections to verify that the installation and operation of the facility comply with the requirements of this tariff and to verify the proper installation and continuing safe operation of the facilities. Utility shall also have, at all times, immediate access to breakers or any other equipment that will isolate the Net Metering facility from Utility's electric system. In non-emergency situations, Utility shall give Customer reasonable notice prior to isolating the Net Metering facility.

Customer shall agree that, without the prior written permission from Utility, no changes shall be made to the configuration of the Net Metering facility, as that configuration is described in the Interconnection Agreement, and no relay or other control or protection settings specified in the Interconnection Agreement shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the facility complies with the Utility approved settings.