

18. Net Energy Metering

Eligible Customers installing a solar, wind or biomass electrical generating facility not exceeding 2 MW or a micro combined heat and power electrical generating facility not exceeding 30 kilowatts may request Net Energy Metering. An Eligible Customer-generator is defined as a customer that owns and operates, leases and operates, or contracts with a third party that owns and operates a qualifying solar, wind, biomass or micro combined heat and power electric generating facility that is located on the customer's premises or contiguous property. Micro combined heat and power is defined as the simultaneous or sequential production of useful thermal energy and electrical or mechanical power not exceeding 30 kilowatts. The facility must be intended primarily to offset all or part of the Customer's own electricity requirements. In accordance with Public Utility Companies Article - Section 7-306, this Rider is available to qualifying customer-generators on a first-come, first-served basis until the rated generating capacity owned and operated by the eligible customer-generators in the State reaches 1,500 MW. This rider is available to Residential customers in single-family homes, elementary, secondary, postsecondary schools and institutions, private business and nonprofits.

The generating capacity of a solar, wind or biomass electric generating system used by an eligible customer-generator for net metering may not exceed 2 MW. The generating capacity of a micro combined heat and power electric generating system used by an eligible customer-generator for net metering may not exceed 30 kilowatts.

Customers must comply with the Small Generator Interconnection Standards set forth by the Maryland Public Service Commission as outlined in the Code of Maryland Regulations (COMAR) 20.50.09. Customers must meet all system prerequisites and receive all required approvals from the Company, as well as local jurisdictions, prior to activating a solar, wind, biomass, or micro combined heat and power electrical generating facility. All expenses for inspections and approvals will be the responsibility of the Customer.

The Company installs, owns and maintains all metering equipment needed to measure the energy supplied and received. The Company will provide a meter capable of measuring the flow of electricity in two directions of the same capacity as that provided to a non-eligible customer-generator under the same Rate Schedule.

A Customer receiving service under this Rider is billed under the identical energy, demand and customer charges, rate structure, and monthly charges and minimum charges that would be assigned if the Customer were not an eligible customer-generator. If the energy supplied by the Company exceeds electricity generated by the customer-generator during the applicable billing month, the customer-generator shall be billed for the net energy supplied by the Company during the billing month. If the energy generated by the customer-generator exceeds the energy supplied by the Company during the month, the customer-generator shall be required to pay only the Customer Charge for that billing month, as required by the Rate Schedule under which the customer-generator is receiving service. The Company will carry forward a negative kilowatt-hour reading until the customer-generator's consumption of electricity from the grid eliminates the credit or the 12 month generation credit accrual period expires.

Any remaining accrued generation credit at the expiration of the 12 month accrual period shall revert to the Company and may not be recovered by the eligible customer-generator.

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18. Net Energy Metering – continued

The application of this Rider to Schedules GL and P shall be on the basis of each time-of-use period and not total monthly energy. Educational institutions receiving service under Schedules GL or P that are eligible customer-generators may petition the Public Service Commission for consideration of alternative methods or means of achieving net energy metered service.

The solar, wind biomass or micro combined heat and power electrical generating facility used by the customer-generator shall meet all applicable safety and performance standards established by the National Electric Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories. Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgement provides safety for personnel, affords adequate protection against damage to the Company's system or its Customers' property, and prevents any interference with the Company's supply of service to others. Customer's equipment which meets the above mentioned standards shall be considered to have met the Company's requirement for protective equipment. Customers whose equipment does not meet these standards may require additional protective equipment. Such protective equipment is installed, owned and maintained by the customer-generator at the customer-generator's expense.

In addition, it may be necessary for the Company to modify portions of its system or provide a larger than normal capacity meter to accommodate the purchase of electricity. Prior to initiating Net Energy Metering service, the Customer shall pay the differential between the installed cost of a larger capacity meter or necessary distribution system upgrades requested by the Customer or required by the Company, and the meter or distribution equipment normally provided under the Customer's applicable Rate Schedule. Should system modification be necessary, the Company, at the customer-generator's expense, performs all work on the Company's side of the meter. The Company is not liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential that originates from the customer-generator's solar or wind electrical facility.

The electric generating facility is to be interconnected and operate in parallel with the company's transmission and distribution facilities. Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The customer-generator must cease parallel operation upon notification by the Company if such operation is deemed unsafe, interferes with the supply of service to others, or interferes with system operation or maintenance. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the customer-generator to operate in compliance with Company requirements.

Failure of the customer-generator to comply with any of these requirements shall result in disconnection from the Company's system, and the Company will be under no obligation to make purchases therefrom.