

### 32. Community Energy Pilot Program

**Availability:** This rider is applicable to all customer classes for 3 years from the earlier of 1) the first date of the application of Subscriber Organization to operate a CSEGS or 2) 6 months from the effective date of Code of Maryland Regulations 20.62. In addition to the requirements set herein, all participants in this rider are subject to the regulations as stated in Code of Maryland Regulations 20.62. BGE shall continue to facilitate the operation of Subscriber Organization that was established during the program for a period of 25 years after the program has ended.

**Definitions:** In addition to the definitions provided in Code of Maryland Regulations 20.62, the following definitions are used for the purposes of this rider.

*Community Solar Energy Generating System (CSEGS):* The physical solar energy generating facility.

*Subscriber Organization:* The body responsible for maintaining Subscribers and providing the list of Subscribers to the utility for billing. A Subscriber Organization must be a customer of any BGE electric tariff schedule. The Subscriber Organization must be the name on the account for the CSEGS with BGE and must have obtained a Subscriber Organization Number from the Maryland Public Service Commission (PSC).

*Subscriber:* A Subscriber is a customer of any BGE electric tariff schedule that has subscribed with a Subscriber Organization for a portion of the output produced by a CSEGS.

**Subscriber:** A Subscriber is a BGE Customer taking service on any electric Tariff Schedule being billed the charges that would be assigned if the Subscriber were not participating in this pilot program. A Subscriber may subscribe to more than one subscription from more than one Subscriber Organization and may also participate in net-metering. A Subscriber may not subscribe for greater than 200% of their annual baseline energy, including any net-metering, if applicable. The Subscriber will be allocated a bill credit for a percentage of the monthly output of the CSEGS as provided to BGE by the Subscriber Organization.

A Subscriber will receive a monthly dollar credit on their bill that will be the equivalent of their subscription percentage of the CSEGS monthly generation amount applied to all energy charges on the Subscriber's Bill. If the Subscriber is with a third party supplier, the monthly dollar credit on their bill will be the equivalent of their subscription allocation of the CSEGS monthly generation amount applied to all energy charges and their third party supply rate, where available through a PSC approved predefined and standardized electronic process across all Maryland utilities. If the third party supply rate is unavailable, or the Subscriber has not chosen a third party supplier, the applicable BGE Standard Offer Service Rate will be used. Supply portions of the credit provided to Subscribers and incremental costs will be recovered through the applicable SOS Rider. The distribution portion of the credits provided to Subscribers will be treated as a reduction to the actual revenues collected in the calculation of the Rider 25 monthly rate adjustment where applicable; all other distribution credits will be recovered through base distribution rates. Depending on timing of notification from the Subscriber Organization of the Subscriber's subscription amount, it may take up to two billing cycles, or more, before a bill credit is applied to the Subscriber's bill. Subscriptions may not take effect retroactively.

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On or before 30 days after the billing cycle that is complete immediately prior to the end of April each year, BGE will apply to the bill of each eligible Subscriber a true up for any excess generation. The Subscriber's excess generation shall be credited to reasonably exclude the distribution, transmission, and non-commodity portion of the Subscriber's bill for the excess generation amount.

**Subscriber Organization:** Prior to applying for an Interconnection Agreement for this pilot program, a Subscriber Organization must first be granted permission to participate in this pilot from the PSC and have received a Subscriber Organization Identification Number. Once the Subscriber Organization has an Identification Number, they must apply to BGE for an Interconnection Agreement under Code of Maryland Regulations 20.50.09, indicating a request to participate in the Pilot Program. Interconnection Applications will be processed in the order in which the completed Interconnection Applications are received. Each Subscriber Organization and affiliated-ownership Subscriber Organizations are limited to 2 (two) Interconnection Applications during the initial 20 business days of the Year 2/3 interconnection queue period. Year 2/3 Interconnection Applications may be submitted no earlier than 12:00:00PM (EPT) on November 5, 2018. A Subscriber Organization is responsible for all interconnection costs.

A CSEGS is subject to all tariff provisions applicable under the schedule they are placed. Tariff Schedule and demand are determined based on the capacity of the CSEGS system. A CSEGS may not exceed 2MW in AC rated capacity. A CSEGS of 500 kW or greater may not be located on the same or contiguous parcel of property as another CSEGS of 500kW or greater owned by the same Subscriber Organization or its affiliate unless constructed on one of the following: a building rooftop or parking structure, over a parking lot or roadway, in a platted industrial park, or 2 or more projects, each of up to 2 MW in size comprising no more than 6 MW constructed on a brownfield site. A CSEGS facility with a capacity greater than 1 MW will be placed on Primary Service. Metering for a CSEGS will be divided into an input and an output channel. All usage on the input channel will be billed in accordance with the applicable tariff schedule of the CSEGS. All generation on the output channel will be used in the calculation of the Subscriber Credits. BGE reserves the right to require the CSEGS facility to be moved to a bill cycle in order to facilitate efficient credit calculation.

A Subscriber Organization must provide a partially executed Interconnection Agreement, in conjunction with a Community Energy Pilot Application. Pilot Program Applications shall be processed in the order in which they are received. BGE will notify the Subscriber Organization of receipt of the Pilot Program Application and whether the Pilot Program Application is complete within 5 business days. A Subscriber Organization receiving notice of an incomplete Pilot Program Application shall revise and resubmit within 10 days of receiving the notice. Projects that are not awarded pilot program capacity in Year 1 will have their Interconnection Application canceled and must reapply for interconnection and reapply to the pilot program in a future year and do not maintain their waiting list position for capacity in Year 2. Year 1 (including the waitlist) will end on October 26, 2018 at 5:00:00PM (EPT). In Year 2, if a Pilot Program Application exceeds the available program capacity or category and is otherwise complete, the Pilot Program Application shall be deferred to the next program year if cap space is available. Deferral of one Pilot Program Application does not preclude the company from accepting a smaller Pilot Program Application received after the deferred Pilot Program Application. Available pilot program capacity can be found on BGE.com. A CSEGS Identification Number will be assigned and capacity in the pilot program queue will be reserved for the Subscriber Organization's specific CSEGS upon a complete and accepted Pilot Program Application. If a CSEGS or Subscriber Organization raises a dispute with BGE or the Commission regarding the processing of an Interconnection Application or a Pilot Program Application, BGE will not set aside capacity for the CSEG during the pendency of the investigation of the dispute.

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Pilot Program Applications will only be accepted in electronic format as defined by BGE. In order to apply for capacity in an electric company's pilot program queue, a Subscriber Organization shall provide the following to the electric company upon Pilot Program Application:

- A partially executed Interconnection Agreement
- A receipt confirming the filing fee from a local jurisdiction demonstrating application for at least one of the following permits: 1) a Site Plan Review Application, 2) a Zoning Conditional Use Application, 3) a Zoning Variance Application, 4) a Zoning Certificate of Use Application, 5) a Special Exception Application, 6) a Board of Appeals Hearing Application, or 7) a Building Permit Application. If one of the preceding is not available due to preliminary action required by the jurisdiction, the Subscriber Organization may provide a receipt confirming completion of the preliminary action in lieu of one of the permits listed above. If a subscriber organization is unable to provide confirmation of the required permit application within 120 days of application, the Company may rescind the award of project capacity.
- Proof of site control:
  - Evidence of property ownership;
  - An executed lease agreement; or
  - A signed option to purchase or lease.
- Selection of one of the Following Project types, as defined in COMAR 20.62.02.02A(3):
  - Small/Brownfield/Other;
  - Open; or
  - Low to Moderate Income (LMI)
- Amount of that Pilot Program capacity the project intends to take

If a project fails to begin operating within 12 months of submission of a completed application, it shall be removed from the queue unless a \$50 per kW deposit is paid to maintain its spot in the queue for 6 additional months. Projects in LMI category are exempt from queue deposits. A project may lose its place in the queue if the Subscriber Organization does not complete any item required. BGE will notify a Subscriber Organization prior to removal from the queue. A Subscriber Organization must maintain all data and information as prescribed in the regulations as stated in Code of Maryland Regulations 20.62.

A Subscriber Organization shall maintain a minimum average subscription size of 2kW. The number of Subscribers may not exceed 350 accounts per project. A Subscriber Organization will certify in the Pilot Program Application that each Subscriber's total subscriptions will not exceed the statutory 200% annual baseline energy usage eligibility threshold. The Subscriber Organization will certify in the Pilot Program Application each Subscriber's LMI eligibility, if relevant to the CSEGS project. The Subscriber Organization will certify in the Pilot Program Application that each Subscriber authorizes the utility to release that Subscriber's account information as necessary. A Subscriber Organization must replace LMI subscribers that are removed from the Subscriber List with eligible LMI customers such that 30% of kWh output is provided to LMI customers.

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A Subscriber Organization must provide BGE, following requirements set forth by BGE, with an individual document for each CSEGS facility indicating the proportion of a CSEGS output that shall be applied to each Subscriber's bill at least monthly, if a change occurs, including:

- CSEGS Identification Number
- Applicable Month
- Subscriber Organization Identification Number
- Subscriber Organization Name
- Subscriber name (per BGE account)
- Each Subscriber's Electric Choice ID
- Percentage share of each Subscriber

Subscriber Organization monthly Subscriber List updates should clearly indicate which Subscribers are new to the list. Non-compatible or incorrect information will be provided to the Subscriber Organization. BGE will apply credits using the most recently updated Subscriber List at the time of the credit calculation. Subscriptions associated with ineligible Subscribers (such as Subscribers that are not BGE customers or have finalized their BGE accounts) will be treated as Unsubscribed Energy. Unsubscribed Energy will be credited monthly to the Subscriber Organization at the net hourly PJM locational marginal price (LMP) in the BGE Zone. No retroactive corrections or changes can be made to Subscriber information or allocation percentage.

**Capacity Limits:** The following table sets forth the annual capacity limits under the Pilot Program for the Company. Updates to the status of the Company's Pilot Program's queue and capacity limits can be found at [www.bge.com](http://www.bge.com).

<u>Program MW Capacity</u>	<u>Small/Brownfield/Other</u>	<u>Open</u>	<u>LMI</u>
Year 1	12.1	16.1	12.1
Year 2	12.1	16.1	12.1
Year 3	6.0	8.1	6.0