

## PROCEDURE NO. 9-8-1

### NET METERING & INVESTMENT INCENTIVE PAYMENT PROCEDURES

#### **PURPOSE OF PROCEDURE:**

To provide staff and members with guidance regarding the interconnection of renewable energy generators and, if applicable, payment of incentives to qualified generators as contained in state law.

#### **PROCEDURE CONTENT:**

##### General Guidelines for Net Metering and Incentive Payments

Consistent with the public policy objectives of RCW 80.60 and RCW 82.16, Inland will work in a cooperative fashion with members as they consider and install a qualified net metering system and if applicable seek incentive payments. With any generating system it is important that the integrity of the Inland distribution system be maintained and that the safety of members and Inland employees is not compromised.

##### Process for Connecting a Renewable Generator

The process for connecting a renewable generator is as follows:

1. Inland will provide interested members an Application & Interconnection Agreement.
2. The member will complete the application and submit it to the new services/design department with the standard, non-refundable engineering fee.
3. The member will notify the new services/design department when the system has been built and has passed inspection by state L&I.
4. The engineering department will schedule an inspection of the system.
5. Upon completion of a successful inspection, member's existing meter will be converted to a net meter and a production meter will be added. The member will be billed the appropriate meter installation charge.
6. An Inland Power lock will be placed on the disconnect switch.
7. The billing account will be modified to reflect the presence of a generator and the member can begin operation of their system interconnected with the Inland system.

##### Cost Responsibility

The member will pay the standard engineering fee to help cover the costs of preparing the agreement and reviewing the system design.. While complying with the provisions of RCW 80.60.020, any extraordinary costs related to planning, facility equipment and inspection costs related to net metering system will be the responsibility of the member. The member is responsible

for the additional costs of metering, including the net-meter plus any production meter(s) provided.

#### Net Metering & Renewable Resource Interconnection Agreement

Inland will use a standard Net Metering & Renewable Resource Agreement (Agreement). Among other things, the Agreement will establish provisions regarding obligation of the member, Inland's access to members' premises and the net metering system, technical interconnection requirements, cost responsibility, energy charges and credits and incentive payment and procedures if applicable.

As specified in Policy 9-8, it is necessary for a member to execute an Agreement prior to the interconnection of a net metering system. In those cases where Inland is only informed after the installation and interconnection of a net metering system, or there is a change in the ownership of a net metering system, it is required that the member and Inland work expeditiously to execute a standard Agreement.

#### Construction and Operation of Net Metering Systems

To protect the Inland distribution system and provide for the safety of the member and Inland employees, it is critically important that any net metering system be constructed and operating in accordance with all applicable codes, standards and procedures. The Agreement shall expressly list the applicable interconnection requirements. Furthermore, while recognizing the requirements of RCW 80.60, Inland reserves the right to establish limitations on the number of customer generators and the total capacity of those net metering systems that may be interconnected to any distribution feeder line, circuit, or network when such limitations are needed for safety and/or reliability reasons.

#### Billing/Crediting for Net Metering

Members with approved installations operated in compliance with Policy 9-8, and these procedures, including having an executed Agreement, will be billed on a monthly basis as follows (See also attachment C to the Agreement):

1. The applicable monthly facility charge will be assessed.
2. When a member uses more electricity than they generate:
  - a. Net electricity supplied by Inland, in excess of the amount of electricity generated and delivered to Inland's system by the member, will be billed each month using the terms and conditions of the applicable rate schedule.
3. When a member generated more electricity than they use:
  - a. The net electricity generated by the member will be credited to the account. On March 31 of each calendar year, any remaining unused kilowatt-hour credit accumulated by the member during the previous year (April 1 through March 31) will be granted to Inland, without compensation to the member per RCW 80.60.

### Incentive Payment Procedures if applicable

Members with approved installations operated in compliance with Policy 9-8, and these procedures, including having an executed Agreement, will receive annual incentive payments as follows:

1. Inland will read the member's production meter on or about June 30 of each calendar year.
2. Consistent with the rules of the Washington Investment Cost Recovery Incentive Payment Program, Washington State University (WSU) will request yearly production data from Inland sometime after July 1 each year.
3. WSU will use the production data provided by Inland to calculate incentive payments due to the member.
4. Prior to the end of the calendar year WSU should notify Inland of the total incentive payment due to the member and a check will be mailed.
5. The finance department will take a credit against Washington state excise taxes due in an amount equal to the investment cost recovery incentive payments made to members.
6. Per provisions of RCW 82.16, payment to the member (or credit to the member's account) will be consistent and comply with the RCW 82.16. Further, if requests for the investment cost recovery incentive exceed the amount of state funds available for credit to Inland, the member's incentive payment will be reduced proportionally.
7. Upon a determination that the member has been paid in excess of the correct amount of the incentive, the member shall repay Inland within 90 days of such excess payment.

The lack of an executed Agreement will be cause for not providing the member with the credit or incentive payments for the electricity produced by the net metering system. In such cases, and after attempting to resolve all issues within a 90-day period, the engineering department will provide the member with written notice that with the beginning of a specified billing period, Inland will be issuing the member a bill without credit for the estimated energy produced by the net metering system. Such billing will continue until such time as an Agreement is executed. Further, typically no credit for energy produced prior to the execution of the Agreement will be provided to the member. In addition, any energy produced during a period without an executed Agreement will not be included in the calculation of the annual incentive payment.

NET METERING FEES		
	Amount	Description
Application Fee	\$250	Covers the expense of engineering and application processing.
Installation Fee	\$350	Covers the expense of 1 Class 200 production meter and installation costs.
Production Meter 1 PH Class 200/320 if applicable	\$200	Cost to install a second Class 200/320 production meter. 1st meter included in installation fee.
Production Meter 1 PH Class 200, Form 12S if applicable	\$250	This meter used with generation facilities which charge a battery back-up system. \$50 added to installation fee if this meter is needed. \$250 if a second 12S is needed.
Production Meter 1 PH Class 20 Form 3S if applicable	\$250	Replaces the tradition CT service meter with dual register net metering CT meter. \$50 added to installation fee if this meter is needed. \$250 if a second 3S is needed.

**RESPONSIBILITY FOR IMPLEMENTATION:**

Responsibility of this procedure is described above.

PROCEDURE APPROVAL DATE 12/19/19

PROCEDURE EFFECTIVE DATE 12/19/19

  
 \_\_\_\_\_  
 Chad Jensen, CEO