#### APPLICABLE:

The following rules shall apply to Customers who: (1) take service under a rate within this electric service tariff, (2) have received approval pursuant to 30 V.S.A. Sections 219a and 248 from the Vermont Public Service Board for an individual net metered system or a group net metered system as defined below prior to January 1, 2017 or have a complete certificate of public good application meeting the requirements of the Company's published application qualification as outlined in Docket No. 8652 Order dated June 24, 2016, and (3) employ an eligible system (defined below) to generate electricity primarily for their own use and which from time to time generates electricity in excess of the Customer's then current needs and is connected to deliver such excess electricity to the Company's distribution system. Customers must conform to all applicable requirements of 30 V.S.A. Sections 219a (as the statute existed on December 31, 2016) and 248 and to Vermont Public Service Board Orders, Rules, Regulations or electrical safety, power quality, and interconnection requirements pertaining to self-generation of energy for net metering.

The following rules shall cease to apply to Customers noted above whose net metering system has completed a period of ten (10) years from the date of the net metering system's commissioning date.

This tariff provision shall not supersede any terms and conditions of any other tariff provision under which the Customer takes service from the Company, which other terms and conditions shall continue to apply.

#### CERTIFICATE OF PUBLIC GOOD:

Any Customer seeking to take service in accordance with this tariff provision shall be required to <u>obtain submit written application for</u> a certificate of public good <u>from the</u> under 30 V.S.A. Sections 219a and 248 to the Public Service Board on forms specified by the Board, follow all procedures specified in those forms, and obtain such a certificate from the Board before connecting any eligible system to the Company's distribution system or any portion of the Customer's own electric system that is itself connected to the Company's electric distribution system.

A certificate of public good for a net metering system is automatically transferred when the property with the net metering system is sold or otherwise conveyed. The new owner may commence net metering provided that the new owner: (1) agrees to operate and maintain the net metering system according to the terms and conditions of the certificate

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of public good and in compliance with Board Rule 5.100 and; (2) files a transfer form provided by the Board with the Company and the Board.

#### INDIVIDUAL NET METERING SYSTEM:

- Definition: An eligible individual net metering system is defined as a facility for 1) generation of electricity that is no more than 500 kW capacity; operated in parallel with facilities of the Company's distribution system; is intended primarily to offset part or all of the Customer's own electricity requirements and employs a renewable energy source produced using a technology that relies on a resource that is being consumed at a harvest rate at or below its natural regeneration rate pursuant to 30 V.S.A. Section 8002(17) or is a qualified micro-combined heat and power system with a capacity up to 20 kW that meets the definition of a combined heat and power facility under 30 V.S.A. Section 8015(b)(2). The Company may agree to the interconnection of a facility or group of facilities with a total capacity of 5 MW or less if the facility is a solar facility or group of solar facilities for the generation of electricity to be installed by one or more municipalities on a closed landfill, and the facility otherwise qualifies as an eligible individual net metering system as set forth above. The Company also may agree to the interconnection of one solar facility for the generation of electricity to be installed and consumed primarily by a Customer with a total capacity of 5 MW or less if the facility otherwise qualifies as an eligible individual net metering system as set forth above. Neither of these facilities shall be subject to, and shall not count toward, the 500 kW capacity limit set forth above nor the cumulative generating capacity in section 18(E) of this tariff. The Customer shall be responsible for the maintenance, safety and condition of the eligible system.
- 2) Energy Measurement: The Company shall measure the net electricity produced or consumed during each billing period. Where it is not physically possible for the billing meter to turn backwards, the Company shall provide a meter appropriate for the Customer's rate class. Such meter will measure the kWh produced by the Customer. For Customers that are eligible for service under another applicable rate class, avoiding the need for an additional meter by changing rate classes is permissible. For Customers who desire an additional meter for their own information or to obtain a Solar Credit for separately-metered gross generation as prescribed in this tariff, the Company shall supply an appropriate additional meter at a cost to the Customer of \$110. The meter shall be installed in accordance with the Company's standards and shall be the property of the Company. KWh recorded by such additional meter will be subtracted concurrently at the

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time of each billing from the kWh recorded by the Company's billing meter. Such additional meter shall be accessible to the Company at all reasonable times, and shall not be removed or otherwise disturbed by the Customer without advance written notice to and permission from the Company. Such additional meter shall be located in reasonable proximity to the existing meter and subject to testing by the Company at any time at the Company's own expense upon reasonable advance written notice to the Customer.

If, at the end of a billing period, the electricity generated and fed back to the distribution system by the Customer exceeds the electricity supplied by the Company, then the Company shall calculate a monetary credit to the Customer by multiplying the excess kWh generated during the billing period by the base kWh rate paid by the Customer for electricity supplied by the Company. The Company shall apply the monetized credit to any remaining charges on the Customer's electric bill for that period. If application to such charges does not use the entire balance of the credit, the remaining balance of the credit shall appear on the Customer's bill. Any accumulated monetary credits shall be used by the Customer within twelve months or shall revert to the Company without any compensation to the individual net metering system Customer. Accumulation of monetary credits shall not result in any financial payments to the Customer. However, if requested by a Customer within the Green Mountain Power Corporation ("GMP") service territory as defined prior to the merger between Central Vermont Public Service Corporation ("CVPS") and GMP ("legacy GMP Customer") with a net metering installation approved by the Board and in operation prior to April 1, 2014, monetary credits that accumulate on the Customer's bill shall be paid to the Customer up to two times per year. Availability of financial payments shall only apply to qualified legacy GMP Customers who have requested a payment prior to April 1, 2014 and will remain available to these Customers for a period of ten years from the date of their net metering system installation. When the net metering system is served via a time-of-use rate class and more generation is produced within a time period than was consumed in that time period, then the excess kWh generation shall be used to offset any net kWh consumption in any other time period within the billing period prior to the monetization calculation.

Excess kWh generated shall be monetized at the following base kWh rates:

(a) The kWh rate at which the account is served; or the peak hours kWh rate during peak hours and the off-peak hours kWh rate during off-peak hours for rate schedules with time-of-use rates; or the tailblock kWh rate for rate schedules with declining block kWh rates. (b) Electric Assistance Program ("EAP") – For non-solar net metering facilities: \$0.12055/kWh for Rate 1; \$0.17993/kWh for Rate 11 peak hours, \$0.09038/kWh for Rate 11 off-peak hours; \$0.15673/kWh for Rate 61 peak hours, \$0.06220/kWh for Rate 61 off-peak hours.

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EAP For solar net metering facilities: the highest block rate per kWh for ten years after the installation and as set forth in 30 V.S.A. Section 219a(e)(3)(A) thereafter.

If, at the end of a billing period, the electricity supplied by the Company exceeds the electricity generated and fed back to the distribution system by the Customer during the billing period, then the Customer shall be billed for the net electricity supplied by the Company. When the net metering system is served via a time-of-use rate class and more generation is produced within a time period than was consumed in that time period, then the excess kWh generation shall be used to offset any net kWh consumption in any other time period within that billing period. Any monetized credit accumulated on the previous eleven bills shall be applied to offset any charges on the current bill. The Company shall apply monetized credits from previous billing periods using credits that are scheduled to expire soonest first.

#### GROUP NET METERING SYSTEM:

Definition: An eligible group net metering system is defined as a group of 1) Customers, or a single Customer with multiple electric meters, located within the Company's service territory, where the Customers have elected to share monetized excess generation credits created by a net metered system defined as a facility for generation of electricity that is no more than 500 kW capacity; operated in parallel with facilities of the Company's distribution system; is intended primarily to offset part or all of the group net metering system member's own electricity requirements and employs a renewable energy source produced using a technology that relies on a resource that is being consumed at a harvest rate at or below its natural regeneration rate pursuant to 30 V.S.A. Section 8002(17) or is a qualified micro-combined heat and power system with a capacity up to 20 kW that meets the definition of a combined heat and power facility under 30 V.S.A. Section 8015(b)(2). The Company may agree to the interconnection of a facility or group of facilities with a total capacity of 5 MW or less if the facility is a solar facility or group of solar facilities for the generation of electricity to be installed by one or more municipalities on a closed landfill, and the facility otherwise qualifies as an eligible group net metering system as set forth above. The Company also may agree to the interconnection of one solar facility for the generation of electricity to be installed and consumed primarily by a Customer with a total capacity of 5 MW or less if the facility otherwise qualifies as an eligible group net metering system as set forth above. Neither of these facilities shall be subject to, and shall not count toward, the 500 kW capacity limit set forth

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above nor the cumulative generating capacity in section 18(E) of this tariff. Unmetered municipal street lighting accounts are not eligible to be members of a group. An account cannot be a member of more than one group. An account that also has an individual net metering CPG may also be a member of a group but cannot take service via a time-of-use rate schedule if the group generation is not directly interconnected to the utility grid. The excess generation of an individual net metering system serving a Customer on rate schedules other than Residential Rate 1 shall become part of the group generation and the group shall be considered as a group with generation that is not directly interconnected to the utility grid. The excess generation of an individual net metering system serving a Customer on Residential Rate 1 shall become part of the group generation and the rules around monetization of excess kWh shall be based on whether other generation within the group is or is not directly interconnected to the utility grid. The group net metering system members shall be responsible for the maintenance, safety and condition of the eligible system.

- 2) A group net metering system shall <u>have filed</u> with the Board, DPS and the Company a completed net metering application provided by the Board including the following information:
  - (a) The meters identified by account number to be included in the group system;
  - (b) A procedure for adding and removing meters included in the group net metering system and directions as to the manner in which the Company shall allocate any accrued credits among the meters included in the system as outlined further below.
  - (c) A designated person responsible for all communications between the group net metering system and the Company except for communications related to individual account billing, payment and disconnection.

The Company shall bill directly and send all communications regarding billing, payment and disconnection directly to each individual group net metering system account. All charges for each individual account shall be based on the individual meter for that account and the rate class associated with that meter.

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3) Energy Measurement: The Company shall measure the net electricity produced or consumed during each billing period for the group net metering system meter that has the generation interconnected. Where it is not physically possible for the meter connected to the generating account to turn backwards, the Company shall provide a meter appropriate for the generating account's rate class. Such meter will measure the kWh produced by the generating account. For generating accounts that are eligible for service under another applicable rate class, avoiding the need for an additional meter by changing rate classes is permissible.

For group net metering systems who desire an additional meter for their own information or to obtain a Solar Credit for separately-metered gross generation as prescribed in this tariff, the Company shall supply an appropriate additional meter at a cost to the Customer of \$110. The meter shall be installed in accordance with the Company's standards and shall be the property of the Company. KWh recorded by such additional meter will be subtracted concurrently at the time of each billing from the kWh recorded by the Company's billing meter. Such additional meter shall be accessible to the Company at all reasonable times, and shall not be removed or otherwise disturbed by the group net metering system members without advance written notice to and permission from the Company. Such additional meter shall be located in reasonable proximity to the existing meter and subject to testing by the Company at any time at the Company's own expense upon reasonable advance written notice to the group net metering system designated person.

(a) If, at the end of a billing period, the electricity generated and fed back to the distribution system by the generating account exceeds the electricity supplied to that account by the Company, then the excess kWh shall be allocated to the group member accounts pursuant to the allocation instructions provided by the group. The allocated kWh shall then be used to offset kWh consumption at the member account; be monetized at the Residential Rate 1 kWh rate; or monetized at the member account's kWh rate according to the circumstances as outlined below. The Company shall apply any allocated kWh that are converted to a monetized credit to any charges on the group net metering system member's individual current bills for that period. If application to such charges does not use the entire

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balance of the credit, the remaining balance of the credit shall appear on the individual member's bill. Any accumulated monetary credits shall be used by the individual member within twelve months or shall revert to the Company without any compensation to the group net metering system member. Accumulation of monetary credits shall not result in any financial payments to the Customer. However, if requested by a Customer within the Green Mountain Power Corporation ("GMP") service territory as defined prior to the merger between Central Vermont Public Service Corporation ("CVPS") and GMP ("legacy GMP Customer") with a net metering installation approved by the Board and in operation prior to April 1, 2014, monetary credits that accumulate on the Customer's bill shall be paid to the Customer up to two times per year. Availability of financial payments shall only apply to qualified legacy GMP Customers who have requested a payment prior to April 1, 2014 and will remain available to these Customers for a period of ten years from the date of their net metering system installation. When the generating account of a group net metering system is served via a time-of-use rate class and more generation is produced within a time period than was consumed in that time period, then the excess kWh generation shall be used to offset any net kWh consumption in any other time period within the billing period for that account prior to the allocation of excess kWh to group members.

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- (i) All excess kWh allocated to member accounts for groups where the generation account is directly interconnected to the utility grid such that the generation does not offset consumption of the Customer or group shall be monetized at the following kWh rates:
  - a. Rate 1 base kWh rate, or
  - b. The base kWh rate at which the member is served for Rates 3, 06, 15 and 17, or
  - c. \$0.12055/kWh for non-solar net metering on EAP1, or
  - d. The highest block rate per kWh for ten years after the installation and as set forth in 30 V.S.A. Section 219a(e)(3)(A) thereafter for solar net metering on EAP1.
- (ii) Excess kWh allocated to member accounts for groups where the generation account is not directly interconnected to the utility grid shall first offset any kWh consumption on the member account and then any excess kWh shall then be monetized at the following base kWh rates:
  - a. The kWh rate at which the account is served; or
  - b. The peak hours kWh rate during peak hours and the off-peak hours kWh rate during off-peak hours for rate schedules with timeof-use rates; or
  - c. The tailblock kWh rate for rate schedules with declining block kWh rates.

Electric Assistance Program ("EAP") – For non-solar net metering facilities: \$0.12055/kWh for Rate 1; \$0.17993/kWh for Rate 11 peak hours, \$0.09038/kWh for Rate 11 off-peak hours; \$0.15673/kWh for Rate 61 peak hours, \$0.06620/kWh for Rate 61 off-peak hours.

EAP – For solar net metering facilities: the highest block rate per kWh for ten years after the installation and as set forth in 30 V.S.A. Section219a(e)(3)(A) thereafter.

Allocation of excess kWh to time-of-use member accounts shall be allocated to each time period based on their share of consumption in the time period to total consumption during the billing period.

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- (b) If, at the end of a billing period, the electricity supplied by the Company to the generating account meter exceeds the electricity generated and fed back to the distribution system by the generating meter during the billing period, then each group net metering system member shall be billed for the electricity supplied by the Company based on the individual meter for that account and the rate class associated with that meter. Any monetized credit accumulated on the previous eleven bills shall be applied to offset any charges on the current bill. The Company shall apply monetized credits from previous billing periods using credits that are scheduled to expire soonest first.
- 4) Allocation of Group Net Metering Excess kWh: The designated person of the group net metering system shall provide direction in one of two manners pursuant to which the Company shall allocate any accrued credits among the meters included in the system. Allocations may only be changed on written notice to the Company. The Company shall implement appropriate changes to the allocation of credits within thirty days after receiving written notification from the designated person. Allocations can be changed no more than four times per calendar year and shall not be applied retroactively. Allocations can be made by listing the group net metering system members in the order in which they are to receive monetized excess generation credits such that the credits offset all applicable charges for the first member listed before applying any remaining monetized excess generation credits to all applicable charges for the second member listed. The Company will continue to provide credits to the listed member accounts in the order provided until the credits are depleted. As of January 1, 2015, newly established groups utilizing this method of allocation shall be charged an additional monthly fee of \$6.50 for each account in the group. Allocations can be made by listing the percentage of the excess kWh that each group net metering system member's account shall receive. Such a percentage allocation shall add to 100%.

#### **CUMULATIVE GENERATING CAPACITY:**

The authority under this tariff provision of any Customer to connect any eligible system capable of delivering electricity to the Company's distribution system will close after the

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total installed cumulative generating capacity of all eligible systems connected to the Company's distribution system (or to any portion of the Customer's own electric system that is itself connected to the Company's electric distribution system) equals fifteen percent of the Company's peak retail demand during 1996; or the peak demand during the most recent full calendar year, whichever is greater. Such authority shall re-open should such installed cumulative generating capacity at any time fall below fifteen percent of such retail demand. However, the Company shall interconnect additional eligible systems above fifteen percent of such peak retail demand if the Board raises the fifteen percent cap.

#### INTERCONNECTION REQUIREMENTS:

The interconnection of all net metering systems is governed by Board Rule 5.500. The applicant bears the costs of all equipment necessary to interconnect the net meterin system to the distribution grid and any distribution system upgrades necessary to ensure system stability and reliability.

Net metering facilities of 150 kW or less in capacity shall be installed and operated in accordance with Appendix A of Board Rule 5.100, Tables 1 through 5 of the Net Metering Technical Specifications.

Net metering systems greater than 150 kW in capacity shall follow the interconnection procedures in Board Rule 5.500.

If the Company determines through preliminary analysis that interconnection and operation of the proposed net metering system may negatively impact the power quality, reliability or safety of the Company's distribution system, the Company may, pursuant to 30 V.S.A. Section 219a(h)(1), perform at the Customer's expense detailed analysis as provided for in Board Rule 5.500.

#### DISCONNECTION OF NET METERED SYSTEM:

Any eligible system shall be subject to emergency disconnection of the system. These emergency disconnection procedures do not supplant Board Rules 3.300 and 3.400 or other tariff rules and regulations related to Company disconnections.

In general, an emergency shall be considered to occur when the interconnection of an eligible system represents a condition which is likely to result in imminent significant disruption of service to the Company's Customers or is imminently likely to endanger life or property.

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If the Company performs an emergency disconnection of an eligible system, the Company shall notify the Customer within twenty-four hours after the disconnection. If the emergency is not caused by the eligible system, then the Company shall reconnect the system upon cessation of the emergency. If the emergency is caused by the eligible system, then the Company shall communicate the nature of the problem with the Customer within five days, and attempt to resolve the issue with the Customer. The Company shall file a disconnection petition with the Board if the Company and the Customer have not reached a mutually agreed-upon resolution within thirty days of the emergency disconnection.

Non-emergency disconnections of an eligible system by the Company shall follow the same process as set out above for emergency disconnections of such system, except that the Company shall give written notice of the disconnection no earlier than ten days and no later than three working days prior to the first date on which the disconnection of the system may occur. Such prior notice shall communicate the reason for the disconnection and the expected duration of the disconnection. If the eligible system is not the reason for the system's disconnection, the Company shall reconnect the system as soon as the activity necessitating the disconnection ceases. Temporary, non-emergency disconnections due to the removal of the meter by the Company or their representatives such as those related to a meter exchange or meter test shall not require prior notice.

A Customer shall be prohibited from reclosing a disconnect device, which has been opened and tagged by the Company, without the prior approval of the Company, or, in event of dispute, the Board.

A Customer who initiates a permanent disconnection of an eligible system shall promptly notify the Company.

#### SOLAR CREDIT FOR SEPARATELY-METERED GROSS GENERATION:

Individual or group net metered systems that own and operate a photovoltaic net metered system which is eligible for net metering under Rule 5.100 shall be entitled to a credit for all metered gross kWh generated by the photovoltaic net metering system.

1) The Customer shall be required to pay for all necessary equipment and labor to

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facilitate measurement of the gross output of the photovoltaic generation using an electrical configuration that is acceptable to the Company.

- 2) The Customer shall be required to pay \$110 for the additional meter. Such metering equipment shall be owned by the Company.
- 3) At the option of the Customer, the Company may receive ownership of the environmental attributes of the electricity generated by the Customer's net metering system, including ownership of any associated tradable renewable energy credits.
- 4) The Customer shall receive a monthly credit for the gross generation recorded by the additional meter at a rate of \$0.053 per kWh if the solar net metering system is 15 kW capacity or less and \$0.043 per kWh for all other solar systems. For solar net metering systems approved by the Board and in operation prior to January 1, 2015, the Customer shall receive a monthly credit for the gross generation recorded by the additional meter at a rate of \$0.060 per kWh. Customers are eligible to receive the credit established at the time that metering is installed to accommodate measurement of gross generation for a period of ten (10) years.
- 5) The monthly credit shall be applied to the Customer's electric bill as directed by the Customer or group and shall offset any remaining Company electric charges.
- 6) Each monthly credit shall be used within twelve months or shall revert to the Company without any compensation to the Customer.
- 7) The Company's obligation to provide the credit to any Customer shall not commence until the regular billing cycle following the Customer's satisfactory installation of all necessary equipment as reasonably requested by the Company and the Company has installed all required metering equipment.

#### **CREDIT REVERSION AND PAYMENT**

Notwithstanding the credit reversion and payment language on Sheet 13, Sheet 17 and

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Sheet 22, the following provision to this Self-Generation and Net Metering tariff shall be effective until June 1, 2016.

1) Credits that would otherwise revert to the Company shall be deemed new credits for which the Company shall issue a check on June 1, 2016 if not used.

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