

Net Metering for Qualifying Facilities Solar Electric, Wind Turbine and Biomass

I. Applicability

The net metering option applies to residential, commercial/industrial, and agricultural customers who have a solar or wind electrical generation facility, a hybrid system of both, or a biomass facility with a capacity of not more than 1000 kilowatts. The facility must be located on the customer's premises, operate in parallel with SMUD's transmission and distribution facilities, and must be intended primarily to offset part or all of the customer's own electrical requirements. Application for this option is on a first-come, first-served basis, not to exceed the cap adopted by SMUD. The customer must meet all requirements of Rule 21.

II. Metering

(A) Residential and Small Commercial ≤ 20 kW; Agricultural Customers ≤ 30 kW

SMUD will pay for and install, at no cost to the customer, a single meter capable of registering the flow of electricity in both directions, or an equivalent means of metering. For SMUD-supplied photovoltaic (PV) systems, an additional meter for PV generation will be supplied as part of the system package.

(B) Large Commercial > 20 kW; Agricultural Customers > 30 kW

SMUD will pay for and install a single meter, or an equivalent means of metering, capable of registering the flow of electricity in both directions. The customer may be required to pay the cost differential between standard metering and bi-directional metering. For SMUD-supplied photovoltaic (PV) systems, an additional meter for PV generation will be supplied as part of the system package.

III. Standby Charges

Customers who qualify for Net Metering are exempt from standby charges on that portion of their load.

IV. Annualized Payment/Settlement Method

All customers who qualify for the net metering option shall have a twelve (12) month settlement period that begins on the effective day of the customer's net metering agreement or upon SMUD's receipt of the customer's net surplus generation election form. If, during any regular monthly billing cycle, the energy supplied by SMUD is greater than the energy supplied to SMUD by the customer's system, the customer will be billed as prescribed by the applicable rate schedule, for the net kilowatt hours (kWh) supplied by SMUD, and other applicable charges. If, in any regular billing month, the energy supplied by SMUD is less than the energy supplied to SMUD by the customer's system, the customer will receive retail-valued energy credits for the excess electricity supplied to SMUD. The customer remains responsible for the service charge and any subscribed program charges. At the end of the customer's twelve (12) month settlement period, any unused accumulated monthly retail energy credits will be zeroed out.

(A) Annual Net Surplus Generation

At the end of a customer's twelve (12) month settlement period, SMUD shall calculate the amount of net surplus generation over the twelve (12) month period. If the customer has net surplus generation, SMUD will, at the customer's election, either a) provide a monetary credit for the net surplus generation to be paid out to the customer or b) roll over the net annual surplus kWh into the next twelve (12) month period. Monetary value for each net surplus generated kWh shall be calculated based on the following calculation:

The dollar per kWh cost using most recently published SMUD budget using the following computation: SMUD's net commodity budget divided by the forecasted annual energy sales.

For each kWh purchased under this annual net surplus generation method, the ownership of the associated renewable energy credit will transfer from the customer to SMUD. The net surplus monetary value shall be calculated annually. This net surplus monetary value will remain in effect for the duration of the fiscal year used for the calculation of the customer's net surplus generation. The value shall be published on SMUD's website by December 20 prior to the year the value is in effect.

(B) Opt-Out of Annual Net Surplus Generation

Customers may elect to opt out of receiving compensation or monetary credit for their net surplus generation over their twelve (12) month settlement period. Customers who elect to opt out will not receive any form of compensation nor credit for net surplus generation delivered to SMUD. Such customers will be allowed to retain any associated renewable energy credits produced by their net surplus generation.

(End)