

Middleborough Gas & Electric Department

Net Metering Policy

POLICY NUMBER 42

Purpose:

The Middleborough Gas & Electric Department recognizes that some customers are interested in alternative energy options which include on-site generation. In response to this interest, it is the Board's policy to enable customers to install small scale wind, solar and other distributed electric generating facilities by allowing them to connect these facilities, limited to a maximum of 10kw in size and connecting to single phase transforming equipment, through their home or business building to the Town's electrical distribution system.

Net Metering:

A net metered generation facility is an electric generation facility that uses solar, wind or other renewable systems to generate electric power for a building already connected to the distribution system. The rated generating capacity of any one customer-generator's facility may not exceed 10 kilowatts. The net metering facility must be located on property owned by the customer-generator and must operate in parallel with the Department's existing transmission and distribution facilities. The primary intent of the net metering facility must be to offset all or part of the customer-generator's own on-site electric power requirements.

The customer-generator must complete a MG&E Department Net Metering Interconnection Application and sign a Net Metering Service Agreement. The customer-generator will purchase the generation facility and will be required to pay all applicable application fees in addition to Electrical Permit fees.

The customer-generator shall build, operate and maintain the generation equipment so that it meets or exceeds all applicable safety and performance standards established by the Massachusetts State Building Codes, the Massachusetts DPU, the National Electric Code, the Institute of Electrical and Electronics Engineers and the Underwriters Laboratories. The customer-generator shall provide a meter socket, to MG&E specifications, located on an outside wall of the structure, for the purpose of accommodating a Department meter to measure the generator output. This must be accessible and available to Department personnel at all times.

The Department may disconnect the customer-generator's net metering facility from the power system any time it deems that the safety and stability of the Department's system may be compromised. The Department may limit the cumulative generating capacity of all net metering systems to one-half of one percent of its historic single-hour peak load (as of 2008 this limit is thirty-two (32) 10kw systems).

MG&E Department will replace the existing house meter with bi-directional metering equipment that is capable of registering the flow of electricity in each direction at the sole expense of the Department. The MG&E Department will be responsible for the maintenance and service of the bi-directional metering equipment. The MG&E Department will not be responsible for the purchase of the generation facility.

Billing:

All kilowatt hours supplied to the customer-generator by MGE Department shall be billed at the normal rate for that customer-generator's current class of service. All kilowatt hours produced by the customer-generator shall be metered and noted on the bill, acting primarily as a load reducer (used by the house). This means that the power generated and used on site avoids the cost of MGED-provided power and has a real value equivalent to the *full retail value* for the customer-generator. Any kilowatt hours produced by the customer-generator in excess of the house load will be credited at the *full retail value* at the normal rate for that customer-generator's current class of service.

If the Customer-generator is a *net producer* of electricity over a normal billing cycle (produced more than the house used), the excess kilowatt-hours shall be credited at the *full retail value* and the credit shall be carried over to the following billing period. ***The customer shall not receive payment for any credit balance as a result of net metering.***

Indemnification:

The MG&E Department shall not be liable, directly or indirectly, for permitting or continuing to allow the attachment of a net metering facility, or for the acts or omissions of the customer –generator that cause property damage, or loss, or injury, including death, to any party.

Safety & Operation:

Customers must not interconnect their generating facility with the Department's distribution facilities until they receive written authorization from MG&E Department. Unauthorized interconnections may result in injury to persons and damage to equipment or property for which the customer may be liable. MG&E reserves the right to disconnect generation systems when they are determined to interfere with the operation of Department or other customer equipment, in the sole judgment of the Department. Any corrections or modifications to the equipment will be at the sole expense of the customer-generator.

Inspections

The Department's engineering staff will review a project as soon as they receive the final, signed application, and schedule an onsite inspection and bi-directional meter installation. The Department reserves the right to continually inspect the facility including all safety features throughout the operation of this facility. *Systems deemed unsafe will be disconnected at the sole discretion of MG&E Department.* In addition, systems will be required to be inspected every two years and when transfer of ownership occurs.

Adopted by Commission: Tuesday, September 8, 2009