

Holden Municipal Light Department Net Metering Policy

The objective of this policy is to promote “green” technologies in the Town of Holden by accommodating the installation of renewable energy generation facilities by customers for the purpose of serving their own electric needs, in a manner that is beneficial to both the customer and the other ratepayers in the Town of Holden.

AVAILABILITY

A net metering facility is an electric generation facility that uses solar, wind, fuel cell or hydroelectric power to generate electric power. The net metering facility must be to offset all or part of the customer's own electric power requirements and may not exceed 100% of the customer's needs. Under no circumstance shall the output from the net metering facility be sold to a third party or credited to a third party or another Holden Municipal Light Department (“HMLD”) customer. Leased systems, or systems owned by someone other than the property owner, are only allowed if there is no associated power contract or sale of electricity involved.

HMLD will enter into an agreement with an existing customer that intends to own and install a net metering facility that is 10 KW or less. HMLD will enter into an agreement with an existing customer that intends to own and install a net metering facility that is greater than 10 KW once HMLD has reviewed the proposed net metering facility and determined that it will not have an adverse impact on HMLD.

The net metering facility must be located on property owned by the customer and must operate in parallel with HMLD's existing distribution facilities.

The customer must:

- 1) complete a HMLD Net Metering Facility Application;
- 2) provide a one-line diagram of the proposed facility at the time of application; and
- 3) sign an Interconnection Agreement for Net Metering Service prior to commencing installation.

The customer will be required to pay an application fee as determined by HMLD.

HMLD, at its sole discretion, may limit the cumulative generating capacity of all net metering systems within its service territory.

EQUIPMENT AND OPERATION

The customer shall build, operate and maintain the net metering facility so that it meets or exceeds all applicable safety and performance standards including those established by the Massachusetts State Building Codes, the Massachusetts Department of Public Utilities, the National Electric Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, the Town of Holden and HMLD.

The customer shall provide a safety disconnect device located adjacent to HMLD's metering equipment that shall be accessible to HMLD personnel at all times. The disconnect switch must be lockable by means of a padlock in either the open or closed position. HMLD shall have the option of requiring ongoing testing of the disconnect equipment. HMLD may disconnect the customer's net metering facility from the power system any time it deems that the safety and stability of HMLD's system may be compromised as determined by HMLD in its sole discretion.

If the customer's net metering facility damages the HMLD system, the customer shall be responsible for all costs associated with the repair and/or replacement of the damaged portion of the HMLD system and that names HMLD as an additional insured.

The customer shall maintain insurance coverage that would cover any damage to HMLD's system in the event of the operation or misoperation of the net metering facility.

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Holden Municipal Light 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 that cause property damage, or loss, or injury, including death, to any party.

METERING

HMLD shall install, at the sole expense of the customer, bi-directional metering that is capable of registering the flow of electricity in each direction. HMLD will be responsible for the maintenance and service of the bi-directional metering equipment.

FLOW OF POWER AND BILLING

During a billing period, if the customer uses more electricity than it feeds back into the HMLD system, the customer will be billed based on the rate applicable to the customer's class of service.

If during a billing period, the customer feeds back on to the HMLD system more electricity than is supplied by HMLD, the customer will be billed the minimum charge applicable to the customer's class of service and be credited for the excess electricity (KWH) generated and fed on to the HMLD system. Any excess KWH shall carry forward from billing period to billing period, until any excess has been utilized.

For the billing period ending in first month following each anniversary date of the project going into service (or at the termination of service), if any unused credits have been accumulated during the previous 12 months, the HMLD will credit the customer account an amount equal to the unused credited kilowatt hours times the average of the wholesale cost of power, excluding transmission costs, for the previous 12-month period.

In the event that the customer installs a facility that exceeds 100% of its needs, HMLD will not reimburse the customer for any excess electricity fed back to the HMLD system.

TERMS AND CONDITIONS

HMLD's Terms and Conditions in effect from time to time, where not inconsistent with any specific provision hereof, are a part of this policy.