

REGULATIONS

3.6 NET METERING SERVICE

3.6.1 Definition

Net Metering service is a metering and billing practice that enables electricity consumers to generate electricity from renewable, low-impact, generators to offset part or all of their own electrical requirements. Excess self-generation, over a customer's own-consumption needs, is credited against purchased energy for billing purposes over a period of one year. Any surplus generation remaining at the end of a one year period will be purchased by the utility at the appropriate retail rate. Customers taking this service will be referred to as "customer-generators".

3.6.2 Availability

- a) Net Metering Service is available to all NSPI customers who are served from NSPI's Distribution system (ie: 24,940 volts or less), who are billed under NSPI's metered service rates, who install a qualifying generating facility, as defined under item b) in the Special Conditions Section 3.6.6. The maximum capacity of the customer's generating facility will be sized to meet the expected annual consumption of the customer and will fall into one of two classes of service.
 - i. Class 1 Net Metering Service means a generating facility of aggregate nameplate capacity of up to 100 kW
 - ii. Class 2 Net Metering Service means a generating facility of aggregate nameplate capacity of 101 kW or more but less than or equal to 1000 kW.
- b) Net Metering is not applicable for Unmetered services.
- c) The customer must provide a written request to take the Net Metering service.

The service is available on a first-come, first-serve basis.

3.6.3 Applicability

The service is applicable to any metered electric service accounts which are electrically connected to the same NSPI Distribution Zone as the generator, and which are owned by the same customer.

3.6.3.1 Distribution Zone

The Distribution Zone is defined as all NSPI distribution feeders emanating from a single distribution supply transformer within a substation. The Company reserves the right to broaden this definition if in the opinion of the Company this is justified by a customer-specific circumstance and is consistent with the spirit of the intent of this regulation.

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3.6.3.2 Customer

For the purpose of the Net Metering regulation “customer” is defined as a single legal entity.

3.6.4 Billing

- a) Customer-generators will be billed under the otherwise-applicable metered rate schedules.
- b) If in a given billing period the electricity supplied to NSPI’s grid by the customer-generator exceeds that supplied to the customer by NSPI, the customer shall be billed only for the applicable non-KWh monthly charges and shall have the excess self-generation “banked” as energy credits to be applied against future bills over a period not exceeding 12 calendar months..

Banked Excess Self-generation = Self-generation supplied to NSPI - Purchased energy from NSPI.

- c) If in a given billing period the combined total of the electricity supplied to NSPI’s grid by the customer-generator and the “banked” energy credits from the previous billing periods is less than the electricity supplied to the customer by NSPI, NSPI will bill the customer for the Net Purchased Energy Requirement and for the applicable non-KWh monthly charges.

Net Purchased Energy Requirement = Purchased energy from NSPI – (Self-generation supplied to NSPI + “Banked” energy credits).

- d) “Banked” excess self-generation will create an energy credit to be held by the customer-generator and will carry over until the customer’s annual anniversary date at which time the energy credit will be set to zero with compensation to the customer-generator priced at the appropriate retail rate. Where the customer rate structure includes only one energy charge, the surplus credit will be priced at that energy charge. Where the customer rate structure includes declining block energy charges, the surplus energy will be priced at the energy charge applicable to the additional kilowatt hours. Compensation will be exclusive of any amount representing Demand Side Cost Recovery Rider charges. The customer-generator will set a permanent annual anniversary date at the time of subscription to the Net Metering service. No changes to the annual anniversary date will be permitted once set. If service is discontinued, any outstanding banked energy credits will be priced in the same manner as those at the time of the annual anniversary date and paid back to the customer-generator.

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- e) Any interim energy credit balances on a customer-generator's account other than those covered under item d) will not have any cash value or be convertible to cash.
- f) Should a customer-generator be billed under more than one electric account connected to the same Distribution Zone as the generating facility, the customer will propose a method to apportion its surplus generation against its consumption under multiple accounts for billing purposes. The customer will either designate the order in which the apportionment of surplus generation is to be applied to individual accounts or nominate the fraction of surplus generation to be apportioned to each account or choose a combination of both approaches. Should a customer generator subscribe to more than one net metering application within the same Distribution Zone, each account will have only one generating facility assigned to it for billing purposes. The proposed method of surplus allocation and the account assignment to generating facilities will be approved upon the subscription to the Net Metering service and will stay in effect until such a time when customer submits a written request for change. NSPI may, at its sole discretion, approve such changes provided they remain in place for a minimum of 12 months.
- g) For Accounts billed under domestic time-of-day service, NSPI will measure and bank self-generation sold to the grid by distinct time-of-use periods for billing purposes. Any surplus generation remaining at the time of the annual anniversary date or at the time the service is discontinued will be compensated by distinct time-of-use periods at the appropriate time-of-use energy charges.
- h) Any environmental credits which may be created through the generation of energy through Net Metering will be held by NSPI.

3.6.5 **Metering**

- a) Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions as approved by Measurement Canada. If the eligible customer-generator's existing electrical meter is not capable of measuring the flow of electricity in two directions, the customer-generator shall be responsible for incremental meter costs and any other related costs.
 - i. If NSPI determines that the flow of electricity in both directions cannot be reliably or safely determined through use of a single meter, NSPI may require that separate meters be installed. Such metering will be at the customer's cost.

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- b) In addition to a), for Class 2 Net Metering an additional metering system dedicated exclusively to measuring the generator's output is required.

3.6.6 Special Conditions

- a) Special conditions in this regulation do not supersede, modify or nullify special conditions accompanying the otherwise-applicable metered rate schedules.
- b) A Qualifying generating facility must meet the following requirements:
 - i) Utilizes only a renewable, low-impact source of energy as defined in the Renewable Electricity Regulation for the purposes of section 3A of Chapter 25 of the *Electricity Act*.
 - ii) Has a manufacturer's nameplate rating of not more than 1,000 Kilowatts, which NSPI has the right to verify through inspection or testing.
 - iii) Is located within the same Distribution Zone as all of the customer's premise(s) for which the customer is requesting Net Metering electric service in conjunction with this facility.
 - iv) Subject to special condition b) iii), at the discretion of the customer, the generator may be connected to the grid either at any of the existing points of delivery of purchased power from NSPI or at a separate point if approved by NSPI. If a separate point of delivery is used, all additional costs will be the responsibility of the customer-generator.
 - v) Net Metering facility shall meet all applicable safety and performance standards established by Measurement Canada, the Canadian Electrical Code, and NSPI's guidelines.
 - vi) The customer-generator is responsible for all costs associated with its facility.
- c) To receive the Net Metering service the customer must submit an Application and execute the applicable "Net Metering Interconnection Agreement" with NSPI. Any net metering customers who have taken net metering service under the predecessor Regulation 3.6 to this regulation, will be grandfathered onto the new service.
- d) The generating facility and all wiring, equipment and devices forming part of it, shall conform to the Canadian Electrical Code.
- e) The customer-generator is responsible for all costs of upgrades and/or additions to the NSPI electric system required to interconnect the customer's generating equipment.
- f) If customer-generator voluntarily terminates the Net Metering service, the service may not be renewed for a period of 12 months from the date of termination.

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