

CLEARWATER POWER COMPANY
Lewiston, Idaho 83501

POLICY BULLETIN NO. 67B

SUBJECT: Net Metering Policy

POLICY:

I. Availability

Net-metering service is available to Members of Clearwater Power Company (Cooperative) who own and operate a generating facility subject to the conditions herein set forth.

II. Definitions

Avoided Cost. The actual annual rate per kWh for power purchased by the Cooperative. The Avoided Cost will be a market-based rate calculated by the Cooperative's wholesale power provider Pacific Northwest Generating Cooperative and used in calculating the unused credit in Section V. (a).

Excess Energy. Any electrical energy generated by the net-metering facility that is surplus to the simultaneous electrical usage of the Member is termed "excess energy". This electrical energy flows into the Cooperative's system and is used to serve other Members.

Net-Metering. The measurement of the difference between the electricity supplied to an eligible Member by the Cooperative and the electricity (1) generated by an eligible Member's net-metering facility and (2) fed back to the Cooperative's system over the applicable billing period.

Net-Metering Facility. A generating facility meeting the requirements as described below:

- (a) Uses solar, wind, microturbine, fuel cell, hydroelectric power or other generation resource approved by the Cooperative to generate electrical power;
- (b) Nameplate generating capacity of not more than twenty five (25) kilowatts;
- (c) Located on the Member's premises;
- (d) Interconnects and operates parallel with the Cooperative's existing transmission and distribution system;
- (e) Intended to offset part or all of the Member's own electrical requirements.

III. General Provisions for Net-Metering Service

Interconnection and Net-Metering Service. The Cooperative shall allow interconnection of net-metering facilities to its system. The Cooperative will install, at its own expense, standard residential metering. Any equipment required beyond the Cooperative's standard residential metering will be charged to the Member in accordance with applicable state and federal regulations.

Interconnection Requirements. A net metering system used by a Member shall include, at the Members expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code (NEC), National Electrical Safety Code (NESC), the Institute of Electrical and Electronic Engineers (IEEE), including but not limited to IEEE 1547, "Series of Interconnection Standards" and IEEE 1547.1, "Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems" and Underwriters Laboratories (UL) 1741.

Level of Net-Metering Generation. The aggregated level of net-metering generation connected to the Cooperative may be limited when, in the opinion of the Cooperative, such limitations must be imposed in order to meet the requirements of all Members of the Cooperative or such limitations result from circumstances beyond the control of the Cooperative in order to maintain reliability and service according to good utility practices. The Cooperative will honor requests for interconnection on a "first-come, first-serve basis" as net-metering capacity becomes available.

Fees. Members requesting net-metering service will be charged an Application Fee of \$250 for the interconnection of net-metering facilities to the Cooperative's system. The Application Fee shall be paid prior to start of work by the Cooperative. In addition, the Member will be charged for any expenses associated with modifying the Cooperative's system in order to interconnect the net-metering facility and all applicable costs identified in paragraph V.

Crediting of Excess Energy. Any excess electrical energy generated by the Member and supplied to the Cooperative's system shall be credited to the Member's account that is connected to the net-metering facility.

IV. Monthly Billing for Net-Metering Service

The monthly electric charge shall be computed in accordance with the applicable rate schedule.

V. Conditions

(a) If the energy supplied to the Cooperative in a given billing cycle is greater than the energy consumed from the Cooperative, the Member's account shall be credited with this amount of excess energy. All unused excess energy credits on a Member's account, as of the last day of the Cooperative's December billing cycle, will not rollover to the next billing cycle but the Member's account will be credited on their January bill for the value of the unused excess energy credits calculated at the rate of the Cooperative's Avoided Cost unless otherwise required by law.

(b) The Member is responsible for all costs associated with the net-metering facility and is also responsible for costs related to any modifications to the facility that may be required by the Cooperative for purposes of safety and reliability.

The Member is responsible for all costs of the Cooperative to complete an engineering study before approval of the project. The engineering study will determine any necessary modifications to the Cooperative's system for the connection of the net-metering facility. The Member will be responsible for all costs associated with the necessary improvements. Before the Cooperative will commence work, if necessary, on the Cooperative's system, the Member shall state in writing that all costs have been clearly explained and the expenditures are authorized.

(c) The net-metering facility shall be interconnected to the Cooperative's system through a static inverter(s) that complies with the "Interconnection Requirements".

(d) The owner of the net-metering facility and/or owner's agents or representatives shall agree to maintain appropriate liability insurance. The owner further agrees to operate the Net Metering Facility according to all applicable governmental requirements, safety, electrical, and building codes, and electric utility safety standards, and be responsible for the safe and effective operation and maintenance of the facility for as long as the facility is connected to the Cooperative's system.

(e) In accordance with IEEE 1547, an approved external lockable disconnecting device capable of isolating the net-metering facility from the Cooperative's system shall be provided by the Member and shall be readily accessible to Cooperative personnel at all times. The disconnecting device shall be located within ten (10) feet of the Member's meter and be clearly marked "Generator Disconnect Switch".

(f) The Cooperative shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net-metering facility, or for the acts or omissions of the Member that cause loss or injury, including death, to any third party.

(g) Members are required to sign a Net-Metering Agreement before receiving net-metering service. The agreement follows as Attachment "A" to this policy. Prior to start of work by the Cooperative, the Member is also required to fill out the Net Metering Application Form and provide compliance documentation for their inverter(s).

VI. Continuing Service

This schedule is based on continuing service at each service location. Disconnect and reconnect transaction shall not operate to relieve a Member from the monthly facilities charge.

RESPONSIBILITY:

General Manager, Manager of Engineering and Operations, Manager of Member Services,
Director of Operations, Director of Member Services.

PROCEDURE:

As outlined in above written policy.

SOURCE: Adopted by Board Resolution – July 18, 2001.
Amended in Part – June 20, 2007; June 15, 2011; February 19, 2019;
June 17, 2020.
Board Reviewed – March 18, 2009; April 23, 2014; April 19, 2017.

Exhibit “A”

Net-Metering Agreement

between

(Member)

and

Clearwater Power Company

for

Interconnection of Member-Owned

Net-Metering Facilities

of

Twenty-Five (25) Kilowatts Peak or Less Generating Capacity

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NET METERING AGREEMENT

This Interconnection Agreement for Net Energy Metering (“Agreement”) is entered into by and between _____ (“Member”), and Clearwater Power Company (“Cooperative”) sometimes also referred to in this Agreement jointly as “Parties” or individually as “Party.”

1. APPLICABILITY

This Agreement is applicable only to distribution Members of the Cooperative who are Members in good standing.

2. DESCRIPTION OF MEMBER’S GENERATING FACILITY (NET-METERING FACILITY)

2.1 Member has elected to interconnect and operate a net-metering facility described in the Net Metering Application Form, located on the member’s premises, parallel with the Cooperative’s electric distribution system.

3. INTERRUPTION OR REDUCTION OF DELIVERIES

3.1 Cooperative shall not be obligated to accept and may require Member to interrupt or reduce deliveries of available energy (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, operate, or inspect any of its equipment or part of its system, or (b) if it determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with good utility practices.

3.2 Whenever possible, the Cooperative shall give the Member reasonable notice of the possibility that interruption or reduction of deliveries may be required.

3.3 Notwithstanding any other provision of this Agreement, if at any time the Cooperative determines that either (a) the Net-metering Facility, or its operation, may endanger the Cooperative’s personnel, or (b) the continued operation of Net-metering Facility may endanger the integrity of the Cooperative’s system, the Cooperative shall have the right to disconnect the Net-metering Facility from the Cooperative’s system. The Net-metering Facility shall remain disconnected until such time as the Cooperative is satisfied that the condition(s) referenced in (a) or (b) of this Section 3.3 have been corrected.

4. INTERCONNECTION

4.1 Member shall deliver the available energy to the Cooperative at the meter located on the Member’s premises.

4.2 Member shall not commence parallel operation of the Net-metering Facility until the Cooperative has provided approval to the Member. The Cooperative shall provide such approval and shall install the required metering within ten (10) working days from Cooperative's final inspection of the Net-metering Facility. Such approval shall not be unreasonably withheld.

4.3 Member shall bear all costs for an engineering review, inspection by the Cooperative, and any costs above standard residential metering. The Cooperative will provide the Member with an itemized statement of these charges. The Member will be required to pay these charges before the Cooperative will authorize commencement of the engineering review on the project.

4.4 Member will be invoiced for electrical service based upon the Cooperative's applicable standard rate schedule. Billing and payments for electrical or other service or fees will be governed by the Cooperative's applicable policies as approved by the Board of Directors.

4.5 If the energy supplied to the Cooperative in a given billing cycle is greater than the energy consumed from the Cooperative, the Member's account shall be credited with this amount of excess energy. All unused excess energy credits on a Member's account, as of the last day of the Cooperative's December billing cycle, will not rollover to the next billing cycle but the Member's account will be credited on their January bill for the value of the unused excess energy credits calculated at the rate of the Cooperative's Avoided Cost, unless otherwise required by law.

5. DESIGN REQUIREMENTS

5.1 Member shall be responsible for the design, installation, operation, and maintenance of the Net-metering Facility and shall obtain and maintain any required governmental authorizations and/or permits.

5.2 In accordance with IEEE 1547, an approved external lockable disconnecting device capable of isolating the net-metering facility from the Cooperative's system shall be provided by the Member and shall be readily accessible to Cooperative personnel at all times. The disconnecting device shall be located within ten (10) feet of the Member's meter and be clearly marked "Generator Disconnect Switch".

5.3 Member shall comply with the requirements of the Cooperative's Net Metering Policy (Policy Bulletin 67B). A copy of such Policy will be provided to the Member upon request.

6. MAINTENANCE AND PERMITS

Member shall (a) maintain the generator and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to Section 5, and (b) obtain and provide copies to the Cooperative any governmental authorizations and permits required for the construction and operation of the generator and interconnection facilities, including, but not limited to, electrical inspections. Member shall reimburse the Cooperative for any and all losses, damages, claims, penalties, or liability it incurs

as a result of Member's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Net-metering Facility.

7. ACCESS TO PREMISES

The Cooperative may enter the Member's premises (a) to inspect Member's protective devices and read or test meters, and (b) to disconnect, without notice, the Member's Net-Metering Facility if, in the Cooperative's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, the Cooperative's system, and/or property of others from damage or interference caused by Member's Net-metering Facility or lack of properly operating protective devices.

8. INDEMNITY AND LIABILITY

8.1 Member shall defend, hold harmless, and indemnify the Cooperative, and the directors, officers, employees, and agents of the Cooperative against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorneys' fees) for injury or death to persons, including employees of the Cooperative, and damage to property, including property of the Cooperative, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the Member's Net-metering Facility, or (b) the making of replacements, additions, improvements to, or reconstruction of the Member's Net-metering Facility.

8.2 The provisions of this Section 8 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance policy.

9. GOVERNING LAW

This Agreement shall be interpreted, governed, and construed under the laws of the State of Idaho as if executed and to be performed wholly within the State of Idaho.

10. FUTURE MODIFICATIONS OR EXPANSION

Any future modification or expansion of the Member owned generating facility and related equipment will require an engineering review and prior written approval by the Cooperative. The Cooperative reserves the right to require the Member, at Member's expense, to provide modifications or additions to existing electrical devices including, but not limited to protection device and meters, in the event of changes to government or industry regulation and/or standards. Notwithstanding the above, the Member's maximum connect net-metering facility shall not exceed 25 KW. Members requesting modification or expansion of the Member owned generating facility will be charged an Application Fee. The Application Fee shall be paid

prior to start of work by the Cooperative and the Member agrees to complete a Net-Metering Application Form detailing the modifications or expansion of their generating facility.

11. AMENDMENTS, MODIFICATIONS OR WAIVER

The failure of any Party at any time to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or a waiver of the breach of any other term or covenant unless such waiver is in writing.

12. NOTICES

Any notice required under this Agreement shall be in writing and mailed or personally delivered to the Party at the address below. Written notice of any address changes shall be provided. All written notices shall refer to the Member's Electric Account Number. All written notices shall be directed as follows:

Cooperative: General Manager
Clearwater Power Company
4230 Hatwai Road
Lewiston, ID 83501

Member:

13. TERM OF AGREEMENT/TERMINATION

This Agreement shall become effective as of the last date set forth in Section 14 and shall continue in full force and effect until terminated by either Party by providing 30-days prior written notice to the other Party in accordance with Section 11. This Agreement may be terminated prior to 30 days by agreement of both Parties. The Cooperative may terminate this Agreement at any time without notice if the Member fails to comply with any term contained herein, as well as for non-payment according to the Cooperative's bylaws, policies, and procedures.

14. NULL AND VOID COVENANTS

If any part of this Contract is declared invalid or becomes inoperative for any reason, such invalidity or failure shall not affect the validity and enforceability of any other provision.

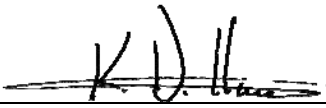
15. SIGNATURES

The Parties to this Agreement hereby agree to have two originals of this Agreement executed by their duly authorized representatives. This Agreement is effective as of the latter of the two dates set forth below.

Member

By: _____
Print Name: _____
Date: _____

Clearwater Power Company

By:  _____
Print Name: K. David Hagen
Title: General Manager