

Schedule No. NEM-L
NET ENERGY METERING-LARGE

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APPLICABILITY

Applicable to Eligible Large Customer-Generators or "CG", including CGs utilizing Wind Energy Co-Metering, as defined in Special Condition 5.b, pursuant to Public Utilities Code (PU Code) Sections 2827 and 2827.8, with a generating capacity of 30 kW or greater, but not more than 1,000 kW. Note that Residential and Small Commercial customers are served under Schedule No. NEM-S. Availability of Schedule No. NEM-L will be on a first come, first serve basis until such time as the total rated generating capacity provided by all CGs under Net Energy Metering (NEM-S plus NEM-L) equals five percent (5%) of Bear Valley Electric Service (BVES) aggregate customer peak demand. An executed Net Energy Metering Surplus Generation Selection Form is required for eligible customers electing Net Surplus Compensation as provided in Special Conditions 4.c

TERRITORY

Big Bear Lake and vicinity, San Bernardino County.

RATES

In each billing period, it will be determined whether a CG is a net consumer of energy or a net producer of energy by quantifying the difference between the electricity supplied and/or delivered by BVES, and the electricity produced by the CG and delivered into BVES electric system each billing period.

Thus, where "ES" is "energy supplied" and/or delivered by BVES, and "EP" is "energy produced" by the CG and delivered into BVES system: Net Energy = ES minus EP

When Net Energy is positive, the CG is a "net energy consumer".

When Net Energy is negative, the CG is a "net energy producer".

As determined in each billing period, when the CG is a net energy consumer the charge for energy consumption will be based on all applicable energy charges, calculated by multiplying the customer's net consumed kilowatt-hours (kWh) by the applicable energy rate components of the customer's Otherwise Applicable Tariff (OAT).

As determined in each billing period, when a CG is a net energy producer, the resulting Net Energy produced will be used to calculate energy credits, calculated by multiplying the customer's net produced kWh by the applicable energy rate components of the customer's OAT in each billing period.

When a CG utilizing Wind Energy Co-Metering as defined in Special Condition 5.j., is a net producer of energy, the resulting net produced energy will be used in the calculation of generation energy credits, by multiplying the customer's net produced kWh in each billing period by the applicable Utility Energy Supply related rate in each billing period.

Net Surplus Compensation (NSC) is equal to the Net Surplus Compensation Rate (NSCR) multiplied by the Net Surplus Energy. Pursuant to PU Code Section 2827 (h)(4)(a), NSC is designed to compensate NEM customers for Net Surplus Energy they produced in excess of their on-site load over their Relevant Period. NSCR calculation is based on the default load aggregation point (DLAP) price. See Special Conditions 4 (g) for calculation of NSCR.

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SPECIAL CONDITIONS

1. **Required Application Contract:** An **Application for Interconnection and Net Energy Metering** (Form No. 25) and an executed **Interconnection and Net Energy Metering Agreement** (Form No. 27) are required for service under this schedule.

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Eligible customers electing NSC must execute:

- a) Net Energy Metering (NEM) Surplus Electricity Compensation Selection Form (Form 30),
- b) Net Surplus Compensation Rate Selection Form (Form 41):
 - 1) Certify the customer's generating facility is a Qualifying Facility pursuant to the Public Utility Regulatory Policies Act of 1978 that is exempt from certification at the Federal Energy Regulatory Commission and
 - 2) Select compensation in the form of either a check payment or credit rollover

Eligible customers must provide BVES all required forms in order to receive compensation.

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2. Metering:

- a. Net energy shall be measured (metered) using a single meter capable of registering the flow of electricity in two directions. If the customer's existing meter is not capable of measuring the flow of electricity in two directions, an appropriate standard meter shall be provided at BVES expense.. Any upgraded net meter, if requested by the customer in writing, will be installed at the customer's expense. BVES may elect to install an additional meter or meters, at its expense, with the customer's consent. Such additional metering shall be used only to provide the information necessary to accurately bill or credit the customer.
- b. For all customers served under this Schedule, when BVES determines that dual metering is required and such customer refuses consent for installation of dual metering, BVES shall have the right to refuse interconnection.

3. Billing:

- a. For all customers served under this Schedule all applicable Service Charges as defined in Special Condition 5.g, and Demand Charges as defined in Special Condition 5.e., and/or other non-energy related charges, as defined in the customer's OAT, shall apply, regardless of the CG's monthly net production.
- b. BVES will provide the CG with net energy consumption information every billing period, upon the customer's inquiry, that will include the current accrued balance owed to BVES for positive net energy charges, if any.
- c. It is mandatory under this schedule to pay all applicable charges, energy and non-energy related, every billing period, in accordance with the customer's OAT.
- d. For all customers served under this Schedule, except CGs Utilizing Wind Energy Co-Metering, energy credits will be used to offset the energy-related charges on the final bill when they cease service under this Schedule. However, at no time will energy credits be applied towards any non-energy related charges.
- e. For all CGs Utilizing Wind Energy Co-Metering, generation energy credits will be used to offset generation-related energy charges on the final bill when they cease service under this Schedule. The generation energy credits of a CGs Utilizing Wind Energy Co-Metering can only be used to offset the generation portion of the energy related charges in accordance with the customer's applicable TOU rate as provided for in Special Condition 5.i.
- f. If a customer terminates service under this Schedule prior to the end of the Relevant Period, BVES shall reconcile the customer's consumption and production of electricity and bill the customer for positive Net Energy charges (if any).

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- 4. **Annual Energy Reconciliation:** All CG's will receive an annual reconciliation of all energy charges and payments made for the energy component of service provided by BVES. This reconciliation will occur at the end of each Relevant Period. At this reconciliation all energy charges, energy credits and energy payments made, if any, will be tallied and reconciled in the final bill of the Relevant Period:
 - a. Should the sum of energy payments received by BVES for energy use billed during the Relevant Period plus energy credits from net production exceed the charges for energy use at the Annual Energy Reconciliation, such excess payment up to the total amount paid by the CG for energy use during the Relevant Period shall be carried forward as a one-time credit to the next billing period.
 - b. However, to the extent that energy credits exceed energy use, BVES shall neither pay the customer for any unused energy credit nor carry forward any unused energy credit. The unused energy credit shall be zeroed out and a new Relevant Period shall commence. Customers electing Net Surplus Compensation as provided for in part 4.c of this Special Conditions may receive additional credit or compensation.
 - c. Effective January 1, 2010, eligible customers who qualify as Net Surplus Generators (as defined in Special Condition 5) may be eligible for compensation for Net Surplus Energy produced during a Relevant Period commencing in 2010 or thereafter. Net Surplus Generators must elect compensation by executing a Net Energy Metering (NEM) Surplus Generation Selection Form (Form No. 28). The Relevant Period used for purposes of measuring Net Surplus Energy commences with the election by the Customer of Net Surplus Energy compensation.
 - i. The Customer may elect to begin Net Surplus Energy compensation with the start of their next Relevant Period. BVES will perform the bill reconciliation as described above, and any unused energy credits and/or generation energy credits remaining shall be zeroed out prior to the commencement of the new Relevant Period.; or
 - ii. The Customer may establish a new Relevant Period, commencing with the next regularly scheduled meter read date following the execution of a Surplus Generation Selection Form. BVES will perform the bill reconciliation as described in Section c.i above, and any unused energy credits and/or generation energy credits remaining shall be zeroed out prior to the commencement of the new Relevant period.
 - d. Customers electing to receive compensation for Net Surplus Energy may begin receiving such compensation beginning with the conclusion of the Customer's Relevant Period in 2011. Customers electing Net Surplus Energy compensation will continue to receive such compensation for each Relevant Period following the execution of such election, unless the Customer affirmatively elects to end Net Surplus Energy compensation. Customers are eligible to revise their Net Surplus Energy elections annually
 - e. The customer is eligible to receive the NSC if at the conclusion of the Relevant Period the true-up process indicates that the customer is a Net Surplus Generator, and if the customer has executed all forms identified in Special Condition 1. If no Net Surplus Energy is produced, the customer is not eligible to receive NSC. Eligible customers from whom BVES has not obtained all required forms at the time of the processing of the final bill of the Relevant Period will not receive NSC.

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f. To calculate the NSC, the kilowatt hours of Net Surplus Energy are multiplied by the NSCR. For the customer that elects the payment option, the NSC will be reduced by any amount that the customer owes BVES before a check is issued to the customer. For the customer that elects the rollover option, the NSC will be applied to future charges (customer’s bill account) in the next Relevant Period. Net Surplus Energy is set to zero at the start of the next Relevant Period.

The customer may choose to change the compensation option from a check payment to a rollover or vice versa once a year.

g. NSCR is equal to the simple rolling average of the SCE hourly \$-per-kWh prices from the hour ending 08 through hour ending 17 (7 a.m. to 5 p.m.) for each day for the 12 month period corresponding to the customer’s 12-month Relevant Period. The rolling average is calculated on a monthly basis to be effective the first of each month and is applied to all customers with a Relevant Period ending in that month. BVES, mimicking SCE methodology, uses a full 12 months (365 days, or 366 days in a leap year) of DLAP prices, as published on the CAISO Open Access Same-time Information System (OASIS), ending the twentieth (20th) day of each month. BVES then calculates the NSCR within five days of the first of the month to allow the CAISO to finalize the day-ahead DLAP prices. The rate will be applied to all eligible net surplus generators, irrespective of their rate class. The NSCR will be posted on SCE’s website and updated monthly.

h. If any customer terminates service under this schedule prior to the end of a Relevant Period, BVES shall reconcile the customer’s consumption and production of electricity and bill the customer for positive net energy charges, if any, as provided in Special Condition 3e.

5. Definitions: The following definitions are applicable to service provided under this Schedule.

a. Eligible Large Customer-Generator (CG) under Schedule NEM-L: Includes all Commercial Customers, as defined in Special Condition 5.d. who use a Facility as defined in Special Condition 5.f. Note that Schedule NEM-L does not apply to residential and small commercial Facilities, see NEM-S. The CG Facility qualifying for service under NEM-L must: be located on the eligible Customer’s Premises as defined in Special Condition 5.c.; be interconnected and operated in parallel with BVES electric system; be intended primarily to offset part or all of the customer’s own electrical requirements; and meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the California Public Utilities Commission regarding safety and reliability.

b. Eligible Large Customer-Generator Utilizing Wind Energy Co-Metering: In accordance with Section 2827.8 of the PU Code, any CG with a wind turbine having an electrical generating nameplate capacity greater than 50 kW taking service under this tariff, is required to do so pursuant to this section. This includes eligible CGs with a solar and wind hybrid system that is located on the eligible Customer’s Premises, that is interconnected and operated in parallel with BVES electric system, and that is intended primarily to offset part or all of the customer’s own electrical requirements, and that meets all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the California Public Utilities Commission regarding safety and reliability.

c. CAISO: California Independent System Operator

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ISSUED BY

R. J. Sprows
 President

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- d. Customer's Premises: The rented, leased or owned commercial establishment to which the solar, wind or hybrid system of both is connected.
- e. Commercial Customer: A Commercial customer presently served under rate schedules A-2, A-3 or A-4 TOU.
- f. Demand Charges: One component of an electric customer's bill, (along with the customer charge and the energy charge). This charge recovers some of the costs BVES incurs in providing sufficient operating capacity to meet that customer's maximum demand. The demand charge is based on the highest level of kW required by the customer during a billing period.
- g. Facility: A solar or wind turbine electrical generating facility, or a hybrid system of both, with a total capacity of more than 30 kW up to a limit of 1,000 kW.
- h. Service Charges: Includes all customer related charges such as the meter charge, and the minimum charge, as defined in the customer's applicable rate.
- i. Relevant Period: A twelve-month period, or portion thereof, if the agreement is terminated before the period ends, and commencing on the effective date of the executed Interconnection and Net Energy Metering Agreement.
- j. Utility Energy Supply: The energy supply components and costs in the customer's applicable rate are indicated by asterisks in each schedule. For CGs Utilizing Wind Energy Co-Metering, BVES Energy Supply is the only portion of their applicable rate that will be offset by energy they produce.
- k. Wind Energy Co-Metering: A CG with a facility that includes a wind generator with a capacity greater than 50 kW. The output of a Wind Energy Co-Metered facility will offset only BVES Energy Supply as defined above.
- l. Net Surplus Energy: All electricity generated by an eligible customer-generator measured in kilowatt-hours over a 12-month period that exceeds the amount of electricity consumed by that eligible customer-generator.
- m. Net Surplus Generator: An eligible customer-generator that generates more electricity during a 12-month period than is supplied by the electric utility to the eligible customer-generator during the same 12-month period.

ISSUED BY

R. J. Sprowls

President

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