

PALMETTO ELECTRIC COOPERATIVE, INC.

Ridgeland, South Carolina

**NET METERING RIDER FOR RESIDENTIAL
AND COMMERCIAL RATES**

AVAILABILITY

This rider is available in conjunction with the Cooperative's Residential Rate Schedule I and the Cooperative's Commercial Rate Schedule II or LPS I. All retail members who own and operate a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system, located and used at the member's primary legal residence or business where a part or all of the electrical requirements of the member can be supplied from the member's generating system can receive service under this rider.

The rated capacity of the member's generating system shall not exceed the lesser of (a) the member's estimated maximum annual kilowatt demand or (b) 20 kilowatts for a residential system or 100 kilowatts for a nonresidential system.

The member's generating system as referenced above must be manufactured, installed and operated in accordance with governmental and industry standards, and must fully conform with the Cooperative's Interconnection Standard.

This rider is available on a first come, first serve basis, except that the total capacity of all retail member generating systems under this rider shall not exceed 0.2% of the Cooperative's hourly integrated peak load, as measured at its distribution substations, for the prior calendar year.

If the member's proposed installation results in exceeding this limit, the member will be notified that service under this rider is not allowed.

RATE

The applicable rate per month shall be from the appropriate rate schedule as referenced in the Availability section above. The monthly bill shall be determined as follows:

For electric service under the Cooperative's Residential Rate Schedule I and the Cooperative's Commercial Rate Schedule II or LPS I:

1. The facilities charge shall be determined and billed as set forth in the applicable rate schedule as described in the Availability section above.

2. Energy charges (or credits) shall be based on the rates in the applicable rate schedules as described in the Availability section above. For purposes of calculating monthly energy in kilowatt-hours, member's usage shall be reduced by the total of (a) any excess energy delivered to the Cooperative in the current month plus (b) any accumulated excess energy balance remaining from prior months. Excess energy delivered to the Cooperative shall be defined as energy produced by the member's renewable energy generating facility that exceeds the energy delivered by the Cooperative during a given time period.
3. Total energy in kilowatt-hours billed to members shall never be less than zero. For any billing month during which excess energy exceeds the member's usage in total, producing a net credit, the respective energy charges for the month shall be zero. Credits shall not offset the facilities charge for the applicable rate schedule.
4. Excess energy not used in the current billing month to reduce billed kilowatt-hour usage shall be accumulated and used to reduce usage in future months; however, any accumulated excess energy not used to reduce billed kilowatt-hour usage shall be reset to zero each June 1. Excess energy delivered prior to June 1 will only be used to reduce usage provided by the Cooperative prior to June 1.
5. There will be no compensation paid to the retail member for excess energy granted to the Cooperative.
6. For each nameplate kW of installed solar photovoltaic generating capacity, there is a \$5.00 per month distribution service charge. However, for the term of the rider, this charge to consumer will be waived by the Cooperative and paid by the wholesale power supplier.
7. For each nameplate kW of installed, wind-powered, biomass-fueled, or micro-hydro generation, the monthly distribution service charge will be determined on a case by case basis. However, for the term of the rider, this charge to consumer will be waived by the Cooperative and paid by the wholesale power supplier.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge plus the demand charge, if any, as stated in the applicable rate.

GENERAL PROVISIONS

1. To qualify for this rider, the retail member must first qualify for and be served on one of the rate schedules as described above in the Availability section. The member must also meet all other qualifications as outlined in the Availability section.
2. All provisions of the applicable residential or commercial rate schedules described above will apply to service supplied under this rider.
3. The retail member must execute an Interconnection Agreement prior to receiving service under this rider. The agreement shall include a description of the conditions related to interconnection of the member generation with the Cooperative's electrical system.
4. Renewable energy generators will retain ownership of Renewable Energy Credits (RECs) until a market for RECs is fully developed as reasonably determined by the Cooperative. After a market for RECs is fully developed, then, annually, any RECs associated with net excess generation shall be granted to the Cooperative when the net excess generation balance is set to zero.

SPECIAL PROVISIONS

The Cooperative will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the member pays the difference in costs between non-standard service and standard service or pays to the Cooperative its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year and shall be renewed for successive one (1) year periods. After the initial period, either party may terminate service under this rider by giving a sixty (60) day notice in writing. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Cooperative's General Terms and Conditions are incorporated by reference and are part of this rider.

Adopted 12/2011