

ELECTRIC SERVICE
SCHEDULE NM-1

NET METERING-1 phase

GENERAL:

The Cooperative's Net Metering Program described herein shall be available to the Cooperative's retail tariff Customers under the following conditions: Net Metering Customer operates a Customer-owned Generation system that supplies part or all of Customer's electrical energy needs and may produce energy in excess of Customer's electrical energy needs. Customer-owned Generation System operates in parallel with Cooperative's electrical system, must have the same nominal voltage, frequency, and electrical phasing output as Customer's electrical service from Cooperative, must not exceed 25 kW of capacity, must be a fuel cell or driven by renewable energy derived from wind, sun, or water, and must be located on Customer's premises.

DEFINITIONS:

"Cooperative" means the legally established electric cooperative, i.e. Moon Lake Electric Association, Inc., offering retail electrical service to Customers within a certificated service territory.

"Customer" means a person or other legally established entity taking retail electrical service from the Cooperative under Schedule R or GS and is member of said Cooperative.

"Excess Net Metering Customer Generated Energy" means the amount of Net Metering Customer Generated Energy, as measured in kWh, during a billing period that exceeds the Cooperative supplied energy during the same period.

"Inverter" means a static power controller/converter device that converts direct current power or alternating current power into alternating current power at the voltage and frequency compatible with power supplied by the Cooperative.

"Net Electrical Energy" as measured in kWh, means the difference between:
a. The amount of energy supplied to the Net Metering Customer by the Cooperative, and
b. The amount of energy from the Customer-owned Generation System

"Net Metering" means the measuring of the Net Electrical Energy difference between:
a. The amount of energy supplied to the Net Metering Customer by the Cooperative, and
b. The amount of energy from the Customer-owned Generation System

Interconnection and Equipment:

Customer-owned Generation System must meet or exceed applicable local and national standards regarding electrical and fire safety, power quality, and interconnection requirements. These standards include, but are not limited to those established by the American National Standards Institute (ANSI), National Electrical Code (NEC), National Electrical Safety Code (NESC), the Institute of Electrical and Electronics Engineers (IEEE) and Underwriters Laboratories (UL). All equipment necessary to comply with these standards and requirements shall be owned by and the responsibility of the Net Metering Customer.

Customer-owned Generation System must be controlled by an Inverter that has been designed, tested, and certified to meet or exceed UL 1742, IEEE 929, ANSI 519 and IEEE 1547 standards.

Customer must provide a visible Isolation Switch for the Customer-owned Generation System (An Isolation Switch) that meets applicable ANSI, IEEE, UL and local governmental and Cooperative standards. Isolation Switch must be accessible to Cooperative personnel at all times, and Cooperative personnel must be allowed to padlock it in the OPEN position at any time and for any reason.

Isolation Switch must be located on the exterior of the building, preferably adjacent to the electrical service entrance equipment and electrically on the Net Metering Customer's side of the Cooperative's meter, Isolation Switch must be permanently and visibly marked as AGENERATOR ISOLATION in letters at least 2" high. If the Isolation Switch is not adjacent to the electrical service entrance equipment, a permanent/weather resistant map shall be installed at that location detailing where the Isolation Switch is located.

Interconnection of Customer-owned Generation System shall be made to Net Metering Customer's electrical service equipment or feeder at the same nominal output voltage and phasing as the Customer's electrical service.

Additions and upgrades to Cooperative facilities to accommodate the Customer-owned Generation System shall not be provided at the Cooperative's expense under the Net Metering Program. If the meter, metering equipment, service equipment including transformer(s) or service conductors owned by Cooperative, or the electrical distribution system of Cooperative must be upgraded to accommodate the Customer-owned Generation System, the Net metering Customer shall be responsible for any and all costs incurred by Cooperative.

Service under this Net Metering Tariff Schedule NO. NM-1 will require the installation of appropriate Bi-directional metering equipment prior to initiation of the Net Metering service.

If the Net Metering Project requires special studies by the Cooperative, Net Metering Customer shall be responsible for study costs.

Billing and Rates:

Net Metering Customer must be served under an applicable qualifying tariff rate Schedule R or GS. Rates for power and energy purchased from Cooperative under this Net Metering Tariff Schedule No. NM-1 shall be the applicable rate per kWh.

Cooperative=s Customer Charge and Minimum Monthly Charge under the applicable retail tariff rate Schedule R or GS will be replaced by the Customer charge hereunder. The Cooperative=s Customer Charge under this Net Metering Tariff Schedule No. NM shall be \$29.85 per month.

If Net Metering does not result in Excess Customer-Generated Energy during the billing period, the Cooperative shall bill the Net Metering Customer for the Net Energy and demand under normal billing practices of the applicable retail tariff rate.

If Net Metering results in Excess Net Metering Customer Generated Energy during the billing period, the Cooperative shall credit the Net Metering Customer=s monthly power bill for the amount of Excess Customer Generated Energy times the Excess Customer Generated Energy rate.

Cooperative shall pay the Utah Net Metering Customer for Excess Net Metering Customer Generated Energy at the rate of \$0.0222 per kWh.

Additional Information:

Net Metering Program shall be available to Cooperative=s Customers until the combination of all Customer-owned Generation Systems under the Net Metering Program will exceed 120 kW (0.1% of peak system Demand in 2005) or until Cooperative limits interconnections to a prescribed amount of kW in excess of 120 kW. Net metering may be limited on a case by case basis to conform with applicable utility engineering practices.

Cooperative requires that the Net Metering customer enter into an interconnection agreement before interconnecting Customer-owned Generation System.

Cooperative shall not be held liable for loss, injury, or death of a third party for allowing and resulting from the interconnection of a Customer-owned Generation System participating in the Net Metering Program. Net Metering Customer must indemnify and hold harmless the Cooperative in any of the above mentioned events.

Cooperative may witness tests, require operational checks or demonstration of equipment, or inspect interconnection at any and all times to ensure safety of electric workers and/or the public and to preserve the safety and integrity of the electric power grid.

Net Metering Customer hereunder is subject to Cooperative=s Electric Service Regulations as amended from time to time. Cooperative=s Electric Service Regulations are filed with and approved by the Public Service Commission.