

GROVELAND MUNICIPAL LIGHT DEPARTMENT

Tariff and Terms and Conditions for Net Metering Service
Customer-Owned Renewable Energy Generating Facilities

This tariff and its terms and conditions govern the installation of, and net metering for certain renewable generation facilities located on the customer's premises, where such facilities are owned or leased by the customer (provided that the monthly lease payment is based on the fair market value of the solar generation equipment at the commencement of the lease term or some other generally accepted methodology for determining the fair rental value of the equipment that is not based on the energy generated by the equipment) and used solely for the purposes of the customer's own consumption.

I. AVAILABILITY

Net metering service is available to Eligible Customers (as defined herein) of the Groveland Municipal Light Department ("GMLD") with Eligible Facilities (as defined herein), subject to the following provisions and GMLD's General Terms & Conditions. In no circumstances shall the output from an Eligible Facility be sold or credited to a third party or any other customer. In its sole discretion, GMLD may limit the cumulative generating capacity of all Eligible Facilities in its service territory and the availability of net metering service under this tariff.

II. ELIGIBLE CUSTOMERS

Net metering service is available to existing residential and commercial customers located within GMLD's electric service territory, who install Eligible Facilities on their property for the purpose of offsetting their own electric power requirements ("Eligible Customers").

III. ELIGIBLE FACILITIES

"Eligible Facilities" shall be limited to renewable energy generating facilities, including solar photovoltaic and wind turbine units, and associated wiring and equipment, which are installed on the customer's premises. The energy generated from the Eligible Facility must be consumed by the Eligible Customer at the site of the Eligible Facility. Eligible Facilities do not include those generating facilities which are owned and/or operated by a third party, in which the output is sold to the customer. Such purchase and sale arrangements are strictly prohibited. Eligible Facilities shall be subject to size limitations and caps as set forth in this tariff, as may be amended from time to time.

IV. SERVICE LIMITATIONS

4.1 Residential Installations. Residential installation net metering and interconnection requirements apply to those customers receiving electric service under a residential rate. The maximum peak electric output from the Eligible Facility for residential accounts shall be 25KW.

4.2 Commercial Installations: Commercial installation net metering and interconnection requirements apply to those customers receiving electric service under a commercial rate. The Eligible Facility shall be limited to 100 kW or less. In its discretion, GMLD may allow Eligible Commercial Customers to install Eligible Facilities in excess of 100 KW if, GMLD determines, in its sole discretion, that such facility will not

have an adverse impact on GMLD's electric system or operations. Notwithstanding the foregoing, net metering facilities shall not exceed 50% of the customer's historic peak demand.

4.3 Interconnection. The maximum KW connected to GMLD's electric facilities shall not exceed 2% of GMLD's annual peak load. For information purposes only, GMLD's maximum peak for 2025 was 10,710 KW. Maximum aggregate capacity shall be 214 kW. This amount may be adjusted from time to time, as GMLD's Electric Peak changes.

V. APPLICATION AND FORMS

Any customer desiring to receive net metering service must submit a completed application on GMLD's net metering service forms and pay the required application fee prior to the installation of the Eligible Facility. For inverter-based installations, the customer shall submit the following with its application: (a) an electrical one-line diagram or sketch depicting how the inverter will be interconnected relative to the service entrance panel and the electric revenue meter; and (b) the make, model and manufacturer's specification sheet for the inverter. Commercial customers shall be required to submit a one-line diagram of the proposed renewable generating facility with its application. Installation of the Eligible Facility shall not be commenced until GMLD approves application and all requirements set forth in Sections VI and VII are met. GMLD may request any additional information that it deems necessary in its sole judgment and discretion, to assist in its review of any application for net metering service.

VI. INTERCONNECTION REQUIREMENTS

6.1 Commercial Customers. A commercial customer may operate an Eligible Facility and interconnect with GMLD's system once the following events have occurred:

- Pre-Interconnection Study – GMLD requires a service study, coordination study, or facilities impact study prior to interconnection of an Eligible Facility. In instances where such studies are deemed necessary the scope of such studies shall be based on the characteristics of the particular distributed generation unit to be interconnected and the proposed point of interconnection.
- Pre-interconnection Study Fee – GMLD will advise the Generator Owner of the expected cost of such study before work begins. The Generator Owner must prepay all estimated costs associated with the pre-interconnection study, including all professional inspection fees necessary for commission.
- Completion of Pre-interconnection Study - Upon completion of the pre-interconnection study, the Department will notify the Generator Owner that his application has been approved or indicate in sufficient detail why the application cannot be approved. The conducting of such pre-interconnection studies shall not unduly delay the interconnection of the Eligible Facility.
- Upon completing construction, the customer will cause the Eligible Facility to be inspected or otherwise certified by the local electrical wiring inspector and building inspector as applicable.
- Certificate of Completion. The customer must return the Certificate of Completion appearing as Form B to this tariff to GMLD at the address noted. GMLD must approve the Certificate.
- GMLD Inspection. GMLD will have inspected the Eligible Facility as set forth in Section 7.4 of this tariff.
- Proof of insurance as set forth in Section 13.3 of this tariff.

6.2 Residential Customers. A residential customer may operate an Eligible Facility and interconnect with GMLD's system once the following events have occurred:

- **Application Approved.** GMLD must approve the residential customer's Renewable Facility Interconnection Application appearing as Form A to this tariff.
- **Municipal Inspection.** Upon completing construction, the customer will cause the Eligible Facility to be inspected or otherwise certified by the local electrical wiring inspector and building inspector as applicable.
- **Certificate of Completion.** The customer must return the Certificate of Completion appearing as Form B to this tariff to GMLD at the address noted. GMLD must approve the Certificate.
- **GMLD Inspection.** GMLD will have inspected the Eligible Facility as set forth in Section 7.4 of this tariff.

In general, for residential inverter-based installations, GMLD will allow interconnection if GMLD determines that the inverter is in compliance with UL 1741 as set forth in Section 7.6.

VII. CONSTRUCTION AND INSTALLATION REQUIREMENTS

7.1 Compliance with Standards and Codes. The Eligible Facility shall be designed, constructed, operated and maintained so as to meet or exceed all applicable safety and electrical standards, including requirements and standards of the Massachusetts Building Code, National Electric Code, National Electrical Safety Code, Institute of Electrical and Electronic Engineers ("IEEE"), Underwriters Laboratories ("UL"), Town of Groveland, and GMLD.

7.2 Local Permits and Approvals. The customer shall be responsible for securing and complying with all applicable federal, state and local permitting requirements and approvals, including zoning, electrical, building, and any other permits or approvals that may be required by the Town of Groveland and any governmental body with jurisdiction over renewable generating facility installations.

7.3 Local Wiring Inspections. Upon the completion of construction of the Eligible Facility, the customer shall cause the Eligible Facility to be inspected or otherwise certified and/or approved by the local wiring inspector. The customer shall provide a Certificate of Completion (see Form B).

7.4 GMLD's Inspection. Within ten (10) business days after the receipt of the Certificate of Completion or such other evidence of compliance as provided in Section 7.3, upon reasonable notice, and at a mutually convenient time, GMLD will conduct an inspection of the Eligible Facility to ensure that the installation of all equipment and all electric connections meet GMLD's requirements, including the provisions of this tariff and GMLD's General Terms and Conditions. GMLD has the right to disconnect the Eligible Facility in the event of improper installation or failure to provide the Certificate of Completion, or if GMLD determines that the Eligible Facility fails to comply with its requirements or otherwise will interfere with its own operational or service requirements.

7.5 Interconnection Wiring. The customer shall furnish and have installed, if not already in place, the necessary meter mounting equipment, including meter sockets and wiring in accordance with all applicable safety and electrical codes and standards. The customer shall provide a safety disconnect device which shall be accessible to GMLD at all times. The switch shall be gang operated, have a visible break when open, be rated to interrupt the maximum generator or photovoltaic output and be capable of being locked open, tagged and grounded on the GMLD side by GMLD. The switch shall be code compliant and of a type generally

accepted for use in this application. The switch should be located within view of the revenue meter. At is discretion, GMLD may require periodic testing of the disconnect equipment.

7.6 Specific Requirements for Inverter-Based Residential Installations. For Eligible Facilities that utilize photovoltaic technology, the facility shall be installed in compliance with IEEE Standard 929-2000, "IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems." The inverter shall meet the UL Standard UL 1741, "Static Inverters and Charge Controllers for Use in Photovoltaic Power Systems."

For Eligible Facilities that utilize wind technology (or other approved direct current energy sources) and employ inverters for production of alternating current, the inverter shall meet the UL Standard UL 1741, "Static Inverters and Charge Controllers for Use in Photovoltaic Power Systems."

The customer shall be responsible for protecting its equipment from being re-connected out of synchronism with GMLD's system by an automatic line enclosure operation.

7.7 No Unauthorized Changes to Equipment. Once in operation, the customer shall not make any changes or modifications in the equipment, wiring, or the mode of operation without the prior written approval of GMLD and the local wiring inspector.

7.8 Liability for Repairs, Replacements, and Modifications Due to Adverse Conditions. If, due to the interconnection of the Eligible Facility, when combined with preexisting facilities interconnected to GMLD's system, the rating of any of GMLD's equipment or the equipment of others connected to GMLD's system will be exceeded or its control function will be adversely affected, GMLD shall have the right to require the customer to pay for the purchase, installation, replacement or modification of equipment to eliminate such condition.

VIII. OPERATING REQUIREMENTS

8.1 General Operating Requirements. Customer shall be solely responsible for constructing, operating, maintaining, and repairing the Eligible Facility in a safe manner, and in accordance with all applicable local, state, federal and industry standard and requirements, including any standards and requirements imposed by GMLD or the Town of Groveland. The customer shall provide equipment on its side of the meter that protects GMLD's system, its employees, contractors, and agents, and any other person from damage and injury.

8.2 Routine Testing and Inspections. For installations in excess of 50kW, the customer shall remove the Eligible Facility from service and cause inspection of all functioning parts by a qualified person at least every two years. Customer shall retain all records pertaining to such inspection and will make them available for GMLD review upon request by GMLD.

8.3 No Adverse Effects; Non-interference. The customer shall operate and maintain the facility so as to not interfere or disrupt GMLD's system or cause deterioration of service to GMLD's customers. Deterioration of service includes harmonic injection in excess of IEEE Standard 1547-2003, as well as voltage fluctuations caused by large step changes in loading at the facility. If GMLD believes that the operation of the facility has or could, cause disruption or deterioration of service to its other customers or damage to GMLD's system, the customer shall promptly cure the problem at its sole expense upon written notice by GMLD. The customer shall be responsible for protecting itself from normal disturbances propagating through GMLD's system.

8.4 Monitoring Equipment and Testing. If GMLD has reason to believe that customer's installation may be the source of problems on GMLD's system, GMLD shall have the right to install monitoring equipment to determine the source of the problems. If the Eligible Facility is determined to be the source of

the problems, GMLD may disconnect the Eligible Facility and terminate service under these terms and conditions of service as set forth in Section IX. The customer shall be responsible for the cost of such testing unless such testing shows that the Eligible Facility did not cause problem(s) to GMLD's system.

IX. SUSPENSION OF SERVICE AND DISCONNECTION

9.1 General. GMLD may disconnect the Eligible Facility from its system at any time that GMLD determines, in its sole discretion, that the safety and reliability of GMLD's system may be compromised by operation of the Eligible Facility.

9.2 Routine Maintenance, Construction and Repair. GMLD shall have the right to disconnect the facility from GMLD's system when necessary for routine maintenance, construction and repairs to GMLD's system. GMLD may disconnect the facility upon the request of the customer provided that the customer provides a minimum of ten (10) days advanced written notice to GMLD.

9.3 Emergency Conditions. GMLD shall have the right to immediately disconnect the Eligible Facility without prior notification when, in the sole judgment of GMLD, continuance of service to the customer is likely to either (i) endanger persons or cause damage to property or (ii) cause a adverse effect on the integrity, reliability, safety or security of GMLD's system or to the electric systems of others to which GMLD's system is directly connected. GMLD shall notify the customer promptly of the emergency condition. Customer shall notify GMLD promptly when it becomes aware of a condition that may reasonably be expected to affect GMLD's system. To the extent information is known, the notification shall describe the emergency condition, the extent of the damage or deficiency, or the expected effect on the operation of both GMLD's and the customer's facilities and operations, its anticipated duration, and necessary corrective action. In the event that the Eligible Facility damages GMLD's system or equipment, or the systems or equipment of others connected to GMLD's system, the customer shall be solely responsible for all costs associated with the repair or replacement of such systems or equipment.

9.4 Forced Outages. During any forced outage, GMLD shall have the right to suspend service hereunder in order to repair GMLD's system; provided, however, GMLD will use reasonable efforts to provide the customer with prior notice. Where circumstances do not permit such prior notice to the customer, GMLD may interrupt service and disconnect the facility from GMLD's system without such notice.

9.5 Non-Emergency Adverse Operating Effects. In non-emergency situations, GMLD may disconnect the net metering facility if the net metering facility causes an adverse operating effect on GMLD's system or other customers, if the customer fails to correct such adverse operating effect within 45 days after written notice.

9.6 Modification of the Facility. GMLD shall have the right to immediately suspend service hereunder where GMLD reasonably believes that the customer has modified the Eligible Facility without receiving prior written approval from GMLD.

9.7 Re-connection. Any curtailment, reduction or disconnection shall continue only for so long as reasonably necessary. GMLD and the customer shall cooperate with each other to restore the facility and GMLD's system to their normal operating state as soon as reasonably practicable following the cessation or remedy of the event that led to the temporary disconnection.

X. METERING

10.1 GMLD Installations. GMLD will install, own and maintain, at customer's sole expense, bi-directional metering that is capable of registering the flow of electricity in each direction. The customer shall be responsible for costs associated with the purchase, installation, operation, maintenance, testing, repair and replacement of metering and data acquisition equipment. The customer shall be subject to a monthly metering charge, which shall be set forth in the applicable rates, as may be amended by GMLD from time to time.

10.2 Customer Installations. The customer, at is sole expense, shall furnish and maintain all meter mounting equipment, such as or including meter sockets, test switches, conduits, and enclosures in accordance with applicable GMLD operating requirements and rules, and applicable ISO-NE criteria, rules and standards. Meter sockets shall be installed at a location approved by GMLD. GMLD may require the installation of a second meter socket, which may be supplied by GMLD at the customer's expense.

10.3 Meter Testing, Inaccuracies and Tampering. The process and requirements for meter testing and accuracy standards are set forth in GMLD's General Terms & Conditions for Electric Service, M.G.L. c. 164 and regulations of the Department of Public Utilities.

XI. BILLING AND CHARGES FOR ELECTRICITY

11.1 Metering. GMLD will monitor the delivered kwh by means of a bidirectional meter. This meter will be owned by GMLD and will be read for billing once/month.

11.2 Excess Generation Delivered to GMLD. All kilowatt hours generated by the Facility and received by GMLD will be credited on a monthly basis. The rate per kwh will be the average of the Locational Marginal Price (LMP) for the NEMA load zone. The credit will appear on the customer's next monthly invoice as a line item with the nomenclature of "Net Metering Credit".

XII. ACCESS AND REPORTING

12.1 Access and Control. Customer shall provide and/or secure the necessary rights for the installation of GMLD-owned facilities and to allow access to GMLD's equipment and the customer's Eligible Facility. Upon prior notice, GMLD shall have access to the facility to make reasonable inspections. GMLD shall identify themselves, inform the customer of the purpose and objectives of the inspection, and shall conduct such inspection in a manner which will not interfere with the construction or maintenance of the facility. GMLD shall have access to the disconnect switch of the facility at all times.

12.2 Reporting of Emergencies. The customer shall designate a contact person for the reporting of emergencies at all times. The customer shall provide and update contact information as necessary. All emergencies shall be reported to GMLD at (978) 372-1671.

12.3 Access to Information. Upon GMLD's request, the customer shall furnish copies of customer's operations and maintenance records, logs, or other information such as, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to the facility or its interconnection with GMLD system.

XIII. LIMITATION OF LIABILITY, INDEMNIFICATION AND INSURANCE

13.1 Indemnification. The customer shall indemnify and hold harmless GMLD and its officers, managers, board members, commissioners, employees, agents and contractors, from and against any and all losses, claims, damages, costs, demands, fines, judgments, penalties, obligations, payments and liabilities, together with any costs and expenses (including without limitation attorneys' fees and out-of-pocket expenses) incurred in connection with any of the foregoing, resulting from, relating to or arising out of or in any way connected with the construction, operation, maintenance, repair and interconnection of the Eligible Facility, including the customer's failure to comply with any of GMLD's terms and conditions or any adverse impact to GMLD's system or its other customers.

13.2 Limitation on GMLD's Liability. GMLD shall not be liable to the customer or any other person for any loss, injury, damage, casualty, fees or penalties, asserted on the basis of any theory, arising from, related to or caused by the construction, installation, operation, maintenance or repair of the Eligible Facility, and associated equipment and wiring, except to the extent of its own gross negligence or willful misconduct, but only to the extent permitted by law. Neither by inspection, approval or non-rejection nor in any other way does GMLD give any warranty, express or implied, as to the adequacy, safety, operability, reliability or other characteristics of any equipment, wiring or devices installed on the customer's premises, including the Eligible Facility.

GMLD HEREBY DISCLAIMS ANY AND ALL WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE FOR ANY WORK PERFORMED BY GMLD.

13.3 Insurance. Commercial customers shall maintain sufficient insurance to cover any damage caused to GMLD's system or to its other customers arising or resulting from or in connection with the construction or operation of the Eligible Facility. The customer shall name GMLD as additional insured. The customer shall provide GMLD with proof of satisfactory insurance in such amounts that GMLD deems sufficient for the protection of its system.

XIV. ASSIGNMENT/TRANSFER OF OWNERSHIP OF THE FACILITY

In the event that ownership of the Eligible Facility is transferred to a new customer, the new customer shall file a new application for net metering service. Net metering service will not be provided unless all requirements are met under these Terms and Conditions or such other requirements imposed by GMLD, and GMLD approves the new application. The existing customer shall remain liable for all charges under this tariff until service under this tariff has been terminated by the customer or GMLD.

XV. ADDITIONAL TERMS AND CONDITIONS/WAIVER AND MODIFICATION

15.1 Amendment of Terms and Conditions. GMLD may amend this tariff and its terms and conditions, and its General Terms and Conditions, as it deems necessary or desirable, in its sole discretion.

15.2 Applicability of General Terms and Conditions. GMLD's General Terms & Conditions for electric service shall apply to the extent applicable and to the extent such terms are not inconsistent with any specific provision or requirement herein.

XVI. TERMINATION

Net metering service may be terminated for the following.

16.1 By Customer. The customer may terminate service hereunder by providing sixty (60) days written notice to GMLD. GMLD will provide a final bill during its next billing cycle following the receipt of notice.

16.2 By GMLD. GMLD may terminate net metering service hereunder if: (1) the Eligible Facility fails to operate for any consecutive twelve month period, (2) the Eligible Facility fails to comply with any requirements or conditions imposed under this tariff or GMLD's rules or policies or any interconnection requirements, whether as part of these terms and conditions or subject to a separate agreement or GMLD's General Terms and Conditions; (3) in the event that the Eligible Facility impairs the operation of GMLD's electric distribution system or service to other customers or and the customer fails to cure the impairment, at its sole expense, within a reasonable time, or (4) if there are any changes in applicable regulations or state law that have a material adverse effect on GMLD's ability to provide such service, or GMLD otherwise determines, in its sole discretion, to discontinue offering net metering service to its customers.

Renewable Facility Interconnection Application – Form A

Application No. _____ [for GMLD use only]

Contact Information:

Date Prepared: _____

Legal Name and address of Interconnecting Customer

Customer Name (print): _____ Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____ Cell: _____

E-Mail Address: _____

Alternative Contact Information (e.g., system installation contractor or coordinating company, if appropriate):

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____ Cell: _____

E-Mail Address: _____

Electrical Contractor Contact Information (if appropriate):

Name: _____ Telephone: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Facility Information (if appropriate):

Address of Facility: _____

City: _____ State: _____ Zip Code: _____

Inverter Manufacturer: _____ Model Name and Number: _____ Quantity: _____

Nameplate Rating: _____ (kW) _____ (kVA) _____ (AC Volts) Single _____ or Three Phase _____

System Design Capacity: _____ (kW) _____ (kVA)

Prime Mover: Photovoltaic ☐ Micro Turbine ☐ Fuel Cell ☐ Turbine ☐ Other ☐

Energy Source: Solar ☐ Wind ☐ Hydro ☐ Diesel ☐ Natural Gas ☐ Fuel Oil ☐ Other _____

IEEE 1547.1 (UL 1741) Listed? Yes _____ No _____

Will the facility be leased? Yes _____ No _____

If yes, attach copy of lease agreement to this application.

Estimated Install Date: _____

Estimated In-Service Date: _____

Approval of Application by Groveland
Municipal Light Department

Sign _____

Name _____

Date _____

Customer

Sign _____

Name _____

Date _____

Certificate of Completion for Renewable Facility Interconnections – Form B

Installation Information:

☐ Check if owner-installed

Customer (print): _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____ Cell: _____

E-Mail Address: _____

Address of Facility (if different from above): _____

City: _____ State: _____ Zip Code: _____

Electrical Contractor's Name (if appropriate): _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____ Cell: _____

E-Mail Address: _____

License number: _____

Date of Approval to install Facility granted by GMLD: _____

Application ID Number: _____

Inspection:

The system has been installed and inspected in compliance with the applicable Building/Electrical Codes:

Signed (Electrical Wiring Inspector, or attach signed electrical inspection): _____

Name (printed): _____ Date: _____

I hereby certify that, to the best of my knowledge, all of the information provided in this application is true and I agree to the Terms and Conditions on the following page:

Interconnecting Customer Signature: _____ Date: _____

Print Name: _____

Please attach any documentation provided by the inverter manufacturer describing the inverter's UL 1741 listing.

Approval to Install Facility (For GMLD use only)

Installation of the Facility is approved contingent upon the terms and conditions of this Agreement, and agreement to any system modifications, if required (Are system modifications required? Yes ___ No ___ To be Determined ___):

Signature: _____ Title: _____ Date: _____

Print Name: _____

Application ID number: _____



TOWN OF GROVELAND

Municipal Light Department

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(P) 978-372-1671 (F) 978-469-5009

A brief explanation of GMLD's Solar Policy:

Section 11.2 of GMLD's Solar Policy, Billing and Charges (P6): Excess generation delivered to GMLD, states that all kWh's generated by the facility and received by GMLD will be credited on a monthly basis. The rate will be the average of the LMP, or Locational Marginal Price, for the NEMA Load Zone, of which Groveland is a part.

The Net Metering Credit that appears on a GMLD customer's monthly bill reflects this excess generation that flows back onto GMLD's system. When a solar customer's demand is below that of the solar facility's output, the excess (Generation) flows back onto the GMLD system, and GMLD compensates the customer at the above specified rate, similar to the way that power is purchased from the NEMA Load Zone. Generated kWh's are not banked, or stored, but are measured by the means of a bi-directional meter located in the customer's meter base. This meter is capable of determining if the customer is producing kWh's and providing them to the system, or consuming kWh's which are taken from the system. All kWh usage which exceeds the facility's output during production hours, and any kWh's consumed after peak production hours, are billed in accordance with GMLD's Standard Residential Service Rates.

Let me simplify: Solar facilities generate peak power during daylight hours. As the sun rises higher, output increases, and as it sets, output decreases. In the evening and at night a solar facility generates minimal, if any, electricity. In general, people consume more electricity in the morning when getting ready for the day, and in the early evening, when returning home from work. This is in conflict with the peak production times of solar facilities. The result is the customer receiving their electricity needs from GMLD's system. Most often, a resident with a solar facility on their home does not use the amount of energy produced by their system during the day. This excess generation is measured by our meter and purchased by us at the wholesale rate and appears as the net metering credit on your bill. For example, a facility that generated 1000kWh of energy onto GMLD's system in August of 2017 would receive a Net Metering Credit of \$24.00 ($1000 \times .024$), 1000 being kWh's, and .024 being the monthly average of the LMP per kWh.

All other charges appearing on your GMLD bill are for electricity usage in excess of your facility's output during times of solar production, or for usage that occurs during low or non-generating hours, and is billed at GMLD's standard Residential Rate. The Net Metering Credit is deducted from this amount, as is the discount, resulting in the bill amount from GMLD.

A common misconception is that the resulting bill should be the result of kWh usage – kWh produced. An erroneous example: a home that is billed for 1500kWh of usage, and having 1000kWh of generation put onto GMLD's system. Following the format above, many feel that the bill should be: 1500kWh – 1000kWh, for a total usage of 500kWh. This is simply incorrect, and that is because GMLD's rates reflect more than just the cost of energy delivered. Other factors make up residential rates: Transmission and Distribution costs, facility and personnel costs, and the fact that electricity behaves like a commodity; its price rises and falls with the days and seasons. The LMP rate paid to the customer is essentially the price of the energy alone.

I hope that this has been as educational for you as it has been for me. If you have any additional questions regarding GMLD's Solar Policy I can be reached at the contact information found below.

Kevin Snow

General Manager/Lineman First Class

Groveland Municipal Light Department

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