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Distributed Generation Overview

Distributed Generation (DG) systems on CVEC's system are divided into 3 categories per Policy 5.40; 1) Less than 20kW, 2) 20kW – 40kW and 3) 40kw and above, per Member.

This Overview will focus on the first category, DG systems less than 20kW.

An application is required to start the process of grid-tying a DG system. The application and pertinent documents are available on our website, https://www.cvecoop.com/distributedgeneration.php.

Regardless of the purpose, (Dual Fuel, Electrical Vehicle Charging, etc) if a subtractive meter is present on the account, it must be changed to a parallel meter. This generally requires a different metering point such as a double pedestal, and a dedicated run of secondary wires from the metering point to a dedicated load center. The reason for this requirement is the fact that a subtractive meter will bill for all kWh it captures, and because the source of the electricity can't be determined by a meter, it is quite possible a Member would be billed for electricity their DG system produced.

Billing is accomplished by replacing the Main meter with a Meter capable to capturing energy in both directions. There is an additional facility charge of \$4.29/month for this special metering. This meter is referred to as the Distributed Generation (DG) meter.

In addition to a DG meter, CVEC also requires a meter be installed directly at the output of the DG system. This meter is referred to as the Production or Member Generated (MG) meter. There is no charge to the Member for the MG meter or meter socket for the MG meter. Some installations, such as those with certain models of OutBack inverters require 2 MG meters to properly capture energy generated by the DG system.

With the DG and MG meters, the Member will see 3 readings on their electric bill each month —

Main – Energy the Member purchased from CVEC

DG – Energy CVEC purchased from the Member

MG – Energy generated by the DG system

With these 3 readings it is possible to calculate how much of the DG output was used by the Member's load(s).

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Installation of DG systems and associated metering must be completed by a Master Electrician, and <u>inspected by the County UDC Inspector</u>. The DG Agreement must be accompanied by a signed and notarized Wiring Affidavit along with proof of insurance. Before the DG system can be grid-tied and placed into service an Anti-Islanding test must be performed and witnessed by a CVEC representative. The Anti-Islanding test is documented in the DG Agreement.

Billing is "trued-up" on a monthly basis, per CVEC policy 5.40.

An example if a bill calculation -

Member purchases 400kWh of energy from CVEC CVEC purchases 500 kWh of energy from Member

Under this billing example, the Member would be paid, or credited, at the same rate paid for energy purchased from CVEC, <u>up to the amount of energy purchased from CVEC</u>; true Net Metering. The additional 100kWh would be paid or credited to the Member at CVEC's cost of electricity, referred to as Avoided Cost. This cost varies monthly, ranging from \$0.02 - \$0.05 per kWh.

Sizing of a DG installation is up to the Member, but cannot be sized beyond 125% of the Member's total connected load.

CVEC receives any and all renewable attributes/rights associated with the Net Metering. A Member may opt to sell energy at Avoided Cost only, and retain renewable attributes/rights, if any.

CVEC is indifferent as to the contractor a Member chooses to work with. Existing DG Accounts have given permission to share their name and contact information which is available on request from CVEC. Members are strongly encouraged to speak with those who have already installed DG systems regarding the return on their investment and experiences with contractors.

This is a summary only of CVEC's DG Policy (systems less than 20kW). For additional information, please refer to Policy 5.40 or contact CVEC's Member Services department.

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