

Schedule No. NMR-405
NET METERING RIDER-405

(N)

APPLICABLE

This Rider is applicable to purchases of excess energy from any Customer-generator taking service under any Rate Schedule 1) whose Net Metering System has a nameplate capacity rating of 25 kilowatts or less, and 2) who has an approved net metering application with the Utility dated on or after June 15, 2017. In addition, a Customer-generator who is receiving service under the Schedule No. NMR-A Rider, the Schedule No. NMR-B Rider or the Schedule No. NMR-G Rider, is allowed to transfer to this Rider, provided the transferring Customer-generator has a Net Metering System with a nameplate capacity rating of 25 kilowatts or less and submits a request to the Utility to be treated for all purposes as a Customer-generator under this Rider who accepted the offer of the Utility for net metering on the date of submitting the request to transfer. In order to take service under this Rider, any Customer-generator must be a User of electricity from either one of the following two types of generating facilities:

First, a facility or energy system for the generation of electricity that uses renewable energy, as that term is defined in NRS 704.7811, as its primary source of energy to generate electricity that

1. Has a Generating Capacity of not more than 25 kilowatts;
2. Is located on the Customer-generator's Premises;
3. Operates in parallel with the Utility's transmission and distribution facilities; and
4. Is intended primarily to offset part or all of the Customer-generator's requirements for electricity being supplied from the Utility.

Second, a facility or energy system for the generation of electricity that uses waterpower as its primary source of electricity that:

1. Has a Generating Capacity of not more than 25 kilowatts;
2. Is located on property owned by the Customer-generator;
3. Generates electricity that is delivered to the transmission and distribution facilities of the Utility; and
4. Is intended primarily to offset all or part of the Customer-generator's requirements for electricity on that property or contiguous property owned by the Customer-generator.

In all cases, a Net Metering System shall not have a Generating Capacity that exceeds the greater of: a) The limit on the demand that the class of Customer of the Customer-generator may place on the Utility's system; or b) one hundred percent of the Customer-generator's annual requirements for electricity.

The Commission may close this Rider to new customers if it finds that doing so is in the public interest.

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Schedule No. NMR-405
NET METERING RIDER-405
(Continued)

(N)

APPLICABLE (Continued)

This Rider is closed to:

1. Customers that receive service under Schedule No. SSR – Small Standby Service Rider or Schedule No. LSR-Large Standby Service Rider; and
2. Customers that receive service under Schedule No. NSMO-1 or Schedule No. NSMO-2; and
3. Customers that have an Energy Storage Device, as that term is defined in Rule 15 of the Utility’s Tariff, that is not paired with a Net Metering System.

TERRITORY

Throughout the Utility’s Nevada service territory.

RATES

All rates charged under this Rider will be in accordance with the Customer-generator’s Applicable Rate Schedule. All rates are subject to change consistent with the law.

RATE SCHEDULE DESIGNATION

Customer-generators served under this Rider will not be eligible to migrate between rate schedules once initially designated, except under the conditions discussed in this section. The Applicable Rate Schedule for the Customer-generator’s service under this Rider shall be the Otherwise Applicable Rate Schedule.

Once designated, the Applicable Rate Schedule will be applied in every Billing Period for the duration of the Agreement. However, in the event the non-residential Customer-generator’s underlying load permanently changes due to circumstances such as growth, reduction in service or the undertaking of significant energy efficiency measures (i.e., load reduction measures separate from the effect of the Net Metering System), such changes may affect the Applicable Rate Schedule under which the Customer-generator would most typically or predominantly be served absent generation. In such instances the Utility may adjust the designated Applicable Rate Schedule, if it determines such changes to be long-term or permanent, absent the effect of the Net Metering System.

SPECIAL CONDITIONS

1. Definitions.

As used in this Rider, unless the text otherwise requires, the capitalized words and terms defined in this condition and Rules 1 and 15 shall have the meaning ascribed to them.

- A. Customer-generator means a user of a Net Metering System.
- B. Generating Capacity shall be stated in the net metering agreement based on the AC rating. If the Customer-generator has more than one Net Metering System, the capacity of all systems shall be totaled for purposes of determining eligibility under this Rider.

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Schedule No. NMR-405
NET METERING RIDER-405
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SPECIAL CONDITIONS (Continued)

1. **Definitions.** (Continued)

- C. Metering means the measurement of electrical power flowing in kilowatts or kilowatt hours.
- D. Metering Equipment means the bidirectional billing meter and all associated equipment, hardware, and software including meter cabinets and conduit that is necessary for metering.
- E. Applicable Rate Schedule means the rate schedule that applies to a customer, based on the customer's facilities, operation, and size of load.
- F. User means a Customer-generator of the Utility at the premises where a Net Metering System is located that serves part or all of that Customer-generator's electrical load.
- G. For the purpose of the APPLICABLE Section of this Rider contiguous means either abutting directly on the boundary and not separated by a street, alley, public right-of-way, creek, river or the right-of-way of a railroad or other public service corporation.
- H. Excess Energy Credit means the credit provided by the Utility to the Customer-generator that is the product of the net excess number of kilowatt hours of energy received by the Utility from the Customer-generator in a Billing Period and the Excess Energy Credit Rate.
- I. Excess Energy Credit Rate means the Price of Electricity multiplied by the following percentage:
 - (1) 95%, if the Customer-generator qualifies for Tranche 1.
 - (2) 88%, if the Customer-generator qualifies for Tranche 2.
 - (3) 81%, if the Customer-generator qualifies for Tranche 3.
 - (2) 75%, if the Customer-generator qualifies for Tranche 4.
- J. Price of Electricity means, for the applicable customer class, the sum of the Base Tariff Energy Rate, the Deferred Energy Accounting Adjustment, and the Base Tariff General Rate ("BTGR"), as shown in the Statement of Rates, excluding the Merrill Lynch surcharge from the BTGR.
- K. Tranche 1, Tranche 2, Tranche 3, and Tranche 4 mean the capacity described in Section 28.3 of Assembly Bill 405 (2017). 80 megawatts of Net Metering capacity statewide will be allocated to each of Tranches 1, 2 and 3.
- L. If a term is not defined in this Rider or elsewhere in the Utility's Tariff, the term shall have the meaning provided in the applicable statute or regulations.

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(Continued)

(N)

SPECIAL CONDITIONS (Continued)

2. **Metering Equipment.**

A. For all Net Metering Systems:

- (1) Electricity delivered by the Utility to the Customer-generator or received by the Utility from the Customer-generator shall be measured using an Interval Meter, as defined in Rule 1, capable of registering the flow of electricity in two directions, for intervals no greater than 15 minutes. The electrical power measurements will be used for billing the Customer Generator.
- (2) The Utility shall furnish, install and own the appropriate Meter used for billing. A Meter installation location and a Meter socket shall be furnished by the Customer-generator and approved by the Utility, and shall, at reasonable times, be accessible for installing, reading, testing and maintaining the Meter.
- (3) If the cost of purchasing and installing a Net Metering System was paid for in whole or in part by the Utility, the electricity generated by the Net Metering System shall be measured using a Meter (“generation meter”), furnished, installed and owned by the Utility, which is capable of measuring generation output. A Meter installation location and Meter socket shall be furnished by the Customer-generator and approved by the Utility, and shall at reasonable times, be accessible for installing, reading, testing and maintaining the generation meter.
- (4) If the cost of purchasing and installing a Net Metering System was not paid for in any way by the Utility, electricity generated by the Net Metering System may, at the Utility’s discretion, be measured using a Meter (“generation meter”), furnished, installed and owned by the Utility, which is capable of measuring generation output. A Meter installation location shall be furnished by the Customer-generator and approved by the Utility, and shall at reasonable times, be accessible for installing, reading, testing and maintaining the generation meter.
- (5) Service switches, Meter sockets, Meter Enclosures, cutouts and similar devices, irrespective of voltage, normally required in connection with billing under the Utility’s Applicable Rate Schedule, shall be furnished, installed, maintained and owned by the Customer-generator at no cost to the Utility.

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SPECIAL CONDITIONS (Continued)

3. **Net Energy Metering and Billing.** For Net Metering Systems under this Rider:
- A. The Utility shall measure during the Billing Period, in kilowatt-hours, the energy received by the Utility from the Customer-generator after the Customer-generator contemporaneously serves the Customer-generator's own load, and the energy delivered by the Utility to the Customer-generator, in accordance with the Utility's normal procedures that are described in the Utility's Tariff, and from those measurements calculate the net amount of energy either produced or consumed during the billing period.
 - B. If the Customer-generator's Applicable Rate Schedule contains Time-of-Use rates, the energy received from the Customer-generator and delivered to the Customer-generator will be netted separately for each Time-of-Use period.
 - C. If the net energy received by the Utility from the Customer-generator exceeds the net energy delivered by the Utility to the Customer-generator during the billing period, the Customer-generator will receive a credit for the net excess at the Excess Energy Credit Rate. If the Customer-generator's Applicable Rate Schedule contains Time-of-Use rates, such Excess Energy Credits will be valued based on the net energy by Time-of-Use period. The Excess Energy Credit rates are reflected in the Statement of Rates.
 - D. In the event the net energy delivered by the Utility to the Customer-generator exceeds the net energy received by the Utility from the Customer-generator during the billing period, the Utility shall bill the Customer-generator all rates and charges for the net amount of delivered energy based on the Customer-generator's Applicable Rate Schedule. If the Customer-generator's Applicable Rate Schedule contains Time-of-Use rates, the rates and charges for the net amount of delivered energy will be calculated by Time-of-Use period.
 - E. Excess Energy Credits may not be applied to the Minimum Charge as that is defined in the Customer-generator's Applicable Rate Schedule.
 - F. In the event that the Excess Energy Credit results in a credit due to the Customer in any monthly billing, the credit will be rolled over and applied to the next monthly electric bill.

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SPECIAL CONDITIONS (Continued)

4. **Agreement.** A standard form agreement for service under this Rider is required. The service agreement will include, at a minimum the following:
- A. The description of facilities to be interconnected including the nameplate capacity of the net generating system;
 - B. The requirements for maintenance of the interconnection facilities;
 - C. Provisions for access by the Utility to the Premises where the Net Metering System is located pursuant to Rule 16;
 - D. Provisions for the interruption of delivery of electricity pursuant to Rules 5 and 8;
 - E. A description of the liabilities and rights of indemnity of both the Customer-generator and the Utility;
 - F. The term of the agreement and the process for renewal of the agreement. The term of the agreement shall be for a minimum of not less than one year;
 - G. A description of the disposition of portfolio energy credits, and a statement that portfolio energy credits issued pursuant to the Solar Energy Systems Incentive Program, Renewable Generations, Wind Energy Systems Demonstration Program, or Waterpower Energy Systems Demonstration Program must be assigned to and become the property of the Utility administering the programs;
 - H. A representation that the facilities meet all requirements of a Net Metering System under NRS 704.771; and
 - I. Customer-generator's Applicable Rate Schedule.

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SPECIAL CONDITIONS (Continued)

5. **Interconnection.** Prior to interconnection, the Customer-generator must comply with the requirements of the Utility's Rule 15 which describe the application and interconnection process including but not limited to, level of review and timeline for processing applications and agreements based upon the allowable size of the Net Metering System.
 - A. The Customer-generator and or the Utility, as appropriate, shall provide Interconnection Facilities and upgrades to the system of the Utility that adequately protect the Utility's Distribution System, personnel, and other persons from damage or injury, which may be caused by the operation of the Net Metering System or are necessary to make the Net Metering System compatible with the system of the Utility.
 - B. The Customer-generator shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that the Customer-generator owns including, but not limited to inverters, disconnect switches, protective relays or automatic disconnect devices such as fuses and circuit breakers.
 - C. A Net Metering System must meet all applicable safety and power quality standards established by the National Electric Code, Underwriters Laboratories Inc., and the Institute of Electrical and Electronic Engineers and is solely responsible for all costs to do so.
 - D. A Customer-generator whose Net Metering System complies with the safety and power standards of Special Condition 5.C above shall not be required purchase additional liability insurance arising solely from its status as a Customer-generator.
 - E. Pursuant to Rule 15.D, Rule 15.F.2 and Rule 9, in particular Rule 9.A.6.a.1, the Customer-generator will be responsible for the cost of required Interconnection Facilities and associated modifications to the Utility's Distribution system.

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SPECIAL CONDITIONS (Continued)

6. **Disposition of Renewable Energy Credits.** If the cost of purchasing and installing a Net Metering System was paid for:
 - A. In whole or in part by the Utility, the electricity generated by the Net Metering System shall be deemed to be electricity that the Utility generated or acquired from a renewable energy system for the purpose of complying with the portfolio standard pursuant to NRS 704.7801 to 704.7828, inclusive. Installation of Meters by the Utility or upgrades to the Utility's system does not entitle the Utility to the portfolio energy credits generated by the Customer-generator's Net Metering System.
 - B. Entirely by a Customer-generator, the Commission shall issue to the Customer-generator portfolio energy credits for use within the system of portfolio energy credits adopted by the Commission pursuant to NRS 704.7801 to 704.7828, inclusive.
7. **Service Under This Rider for Net Metering Applications Received on or After June 15, 2017.**
 - A. Section 28.3 of Assembly Bill 405 (2017) establishes four tranches of net metering capacity. The Utility will monitor net metering applications received by the Utility. Tranche 1 opened on June 15, 2017, when Section 28.3 of Assembly Bill 405 (2017) became effective. When completed applications are received for net metering capacity totaling 80 megawatts, the Utility will close Tranche 1 and open Tranche 2. When complete applications are received for net metering capacity totaling 80 megawatts of capacity in Tranche 2, the Utility will close Tranche 2 and open Tranche 3. When applications are received for net metering capacity totaling 80 megawatts of capacity in Tranche 3, the Utility will close Tranche 3 and open Tranche 4.
 - B. The Utility will transmit to the Commission on each business day the cumulative applied-for net metering capacity for each Tranche.
 - C. The Utility will transmit to the Commission prior to the 15th day of each month the cumulative installed net metering capacity for each Tranche.
 - D. If the Commission posts a determination that based on installed capacity, a given tranche is undersubscribed, the Utility will use a queuing protocol to identify Customer-generators who may be eligible to migrate into the undersubscribed tranche from the subsequent tranche. The Utility will provide a listing of identified Customer-generators who may be eligible to migrate into the undersubscribed tranche in the monthly report the Utility transmits to the Commission prior to the 15th day of each month. Identified eligible Customer-generators will be migrated to the undersubscribed tranche upon Commission approval.

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SPECIAL CONDITIONS (Continued)

8. **Migration from Schedule No. NMR-A, Schedule No. NMR-B and Schedule No. NMR-G.** A Customer-generator who filed a completed net metering application with the Utility prior to June 15, 2017 is deemed to have accepted the Utility's offer for net metering on the date the Utility determines that the application is complete. Such a Customer-generator whose net metering system has a capacity of not more than 25 kilowatts may, but is not required to, request transfer to this Rider. When a customer-generator requests transfer from Schedule No. NMR-A, Schedule No. NMR-B or Schedule No. NMR-G, the Excess Energy Credit rate that will apply to the Customer-generator under this Rider will be determined based on the date of the Customer-generator's request to transfer to this Rider. The capacity of the Net Metering Systems of Customer-generators who transfer from Schedule No. NMR-A, Schedule No. NMR-B and Schedule No. NMR-G will count toward the 80 megawatts of Net Metering capacity that is available under each of Tranches 1, 2 and 3.
- A. Migration from Schedule No. NMR-A.
- (1) After migration to this Rider, the Customer-generator premise may not return to Schedule No. NMR-A or migrate to Schedule No. NMR-B or Schedule No. NMR-G.
 - (2) The Customer-generator will retain any Excess Energy Credits that it earned under Schedule No. NMR-A.
- B. Migration from Schedule No. NMR-B.
- (1) After migration to this Rider, the Customer-generator premise may not return to Schedule No. NMR-B or migrate to Schedule No. NMR-A or Schedule No. NMR-G.
 - (2) If the Customer-generator has any remaining banked excess energy, measured in kilowatt hours, under Schedule No. NMR-B, at the time the Customer-generator migrates to this Rider, those NMR-B banked kilowatt hours may only be used to offset consumption measured in kilowatt hours and cannot be used to reduce any other fee or charge imposed by the Utility pursuant to the Customer-generator's Applicable Rate Schedule.

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Schedule No. NMR-405
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(Continued)

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SPECIAL CONDITIONS (Continued)

8. Migration from Schedule No. NMR-A, Schedule No. NMR-B and Schedule No. NMR-G.
(Continued)

- C. Migration from Schedule No. NMR-G.
 - (1) After migration to this Rider, the Customer-generator premise may not return to Schedule No. NMR-G or migrate to Schedule No. NMR-A or Schedule No. NMR-B.
 - (2) If the Customer-generator has any remaining banked excess energy, measured in kilowatt hours, under Schedule No. NMR-G, at the time the Customer-generator migrates to this Rider, those NMR-G banked kilowatt hours may only be used to offset consumption measured in kilowatt hours and cannot be used to reduce any other fee or charge imposed by the Utility pursuant to the Customer-generator's Applicable Rate Schedule.

9. Enforcement of Net Metering System Size Limitations

- A. If the Utility determines that a Customer-generator's Net Metering System exceeds the capacity permitted by the law governing Net Metering, either at the time the Net Metering System was installed or as a result of a subsequent increase in the capacity of the Net Metering System, the Utility may require the Customer-generator to make modifications as necessary to comply with the law as a condition of continuing to receive Excess Energy Credits under this Rider.
- B. If upon notice from the Utility a Customer-generator fails to bring its Net Metering System into compliance with the law governing Net Metering within a reasonable period of time, the Utility may cease providing Excess Energy Credits to the Customer-generator.
- C. The Utility has the right to investigate a Net Metering System for compliance with the laws governing Net Metering. The Customer-generator is obligated to reasonably cooperate in the Utility's investigation.

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