AEP Energy Net Metering Program

AEP's Net Metering program is offered pursuant to Section 16-107.5 of the Public Utilities Act and Part 465 of the rules of the Illinois Commerce Commission (83 Ill. Admin. Code 465) and is available to residential or commercial customers who own or operate an on-site eligible renewable electric generator of up to 2,000 kW that generates electricity for the customer's own use and is intended primarily to offset the customer's own electrical requirements. In addition, the Net Metering program is available for customers with an interest in a Community Renewable Generation Project, such as a Subscription in a community solar project. Eligible renewable electric generators include those powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy.

The Net Metering program will provide a customer credit for the excess generated energy that flows onto the distribution system according to the terms of your service agreement with AEP Energy, as well as determine retail rate offset for reduced consumption.

Net Metering Program Requirements

- 1. The proper interconnection application form must be submitted to your utility to initiate the interconnection process for renewable electricity generating facility to the utility energy grid within 30 days of this application. AEP Energy will cancel your authorization to net meter if you have not executed and returned to your electric utility an interconnection agreement with the electric utility pursuant to 83 III. Adm. Code 466 and provided the executed interconnection agreement to AEP Energy within 12 months after receiving the interconnection agreement from the electric utility.
- Verification of the installation of the appropriate type of electric meter.
 For more information, please contact your utility.
 Please Note: Approval by utility and all prerequisites of service must be met prior to approval from AEP Energy.
- 3. A Net Metering Application Form must be submitted to AEP Energy to enroll in the Net Metering Program. The attached Application must be completed and mailed or emailed as noted on the application.

NET METERING APPLICATION FORM (ILLINOIS) Please complete and return this form to: **AEP Energy** P.O. Box 340 Zelienople, PA 16063-2300 Attention: Utility Services - Daniella Lumpkin OR **EMAIL ADDRESS:** utilityservices@aepenergy.com Section1: Net Metering Applicant's Contact Information Customer's Full Name: Mailing Address: City: ______ State: _____ Zip Code: _____ Telephone: ______ Email Address: _____ Section 2: Location of Net Metering If you are a Small Commercial Retail Customer and the location currently consumes 15,000 kilowatthours or less of electricity annually, please provide a recent invoice with 12 months of usage history. Account Number of Facility Site: If Service Address is the same as Mailing Address please check here: L Service Address: _____ City: ______ State: ____ Zip Code: _____ Section 3: Description of the Net Metering Facility Total Nameplate Capacity of the Eligible Net Metering Facility (kW DC): kW (AC) Date Energized (or target date: Estimated Degradation Factor (if applicable):

(Customer/Account Holder)	
Print Name:Signature:	Date:
1-866-258-3782. I have executed this Net Metering Application Form (Illinois) (this "A date below and agree that, if I used electronic means including the shall have the full force and legal effect as if my electronic signature signature. The Terms and Conditions for Net Metering provided with herein by reference and become a part of, and govern, this Applicat	Application") effective as of the use of an electronic signature, it were a traditional hand-written his Application are incorporated
AEP Energy will notify the applicant within 10 days of receiving a conapplication is approved. For any question related to this form or Net Metering, please call of	
All outstanding bill credits expire at the end of the customer's elected	
I am electing my annual period to end in: April October	ū
Section 5: Qualified Person Confirmation I acknowledge that the credit will be billed in the subsequent mo	onth that the generation was used.
	n. code y 408.20.
The facility was installed by a Qualified Person as defined in 83 III. At The facility was installed by a Self-Installer as defined in 83 III. Admir	
Please check each of the following that apply:	
Section 4: Qualified Person Confirmation	
 Solar Electric Energy □ Dedicated crops grown for electricity generation □ Wind □ Anaerobic digestion of livestock waste or anaerobic digestion of □ Hydroelectric □ Fuel cells powered by renewable fuels or microturbines powered □ Agricultural residues □ Untreated wood waste and unadulterated wood waste □ Landscape trimmings □ Livestock manure 	
Type of Facility: Please check as applicable:	
Type of Eacility:	

TERMS AND CONDITIONS FOR NET METERING

This Net Metering Application Form (Illinois), together with the Residential Terms & Conditions (for Residential Customers) or either the Master Energy Purchase Agreement – Electric Commodity Sales (GTC) or the Energy Purchase Agreement – Electric Commodity Sales (Matrix) (for Small Commercial Customers) (as applicable, the "Electric Supply Agreement"), which are incorporated herein by reference (this "Agreement"), are your agreement for Net Metering with AEP Energy, Inc. ("AEP Energy"). Please keep a copy of this Agreement for your records. This Net Metering Application Form (Illinois) will terminate concurrent with the termination of the Electric Supply Agreement. In accordance with 83 III. Admin. Code Part 465 (Net Metering) (as amended, the "Net Metering Requirements"), AEP Energy offers Net Metering to Eligible Customers pursuant to the following terms and conditions.

1. Definitions.

"Eligible Customer" or "Customer" means a retail Residential Customer or Small Commercial Customer that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of not more than 2,000 kilowatts (kW) that is located on the customer's premises and is intended primarily to offset the customer's own electrical requirements.

"Eligible Renewable Electrical Generating Facility" means a generator or generators with a total rated capacity of not more than 2,000 kW powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated wood waste and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock waste or anaerobic digestion of livestock or food processing waste, fuel cells powered by renewable fuels or microturbines powered by renewable fuels, or hydroelectric energy.

"<u>Net Electricity Metering</u>" or "<u>Net Metering</u>" means measurement, during the billing period applicable to an Eligible Customer of the net amount of electricity supplied by an electricity provider to the Eligible Customer's premises or provided to the electricity provider by the Eligible Customer.

"Residential Customer" means a person receiving electric utility/local distribution company ("LDC") service for household purposes furnished to a dwelling of one or two units that is billed under a residential rate.

"Small Commercial Customer" means a non-Residential Customer of an electric utility/LDC consuming 15,000 kWh or less of electricity annually in its service area.

"Type (d) Customer" means an Eligible Customer whose electric delivery service is provided and measured on a kWh basis and whose electric supply service is not based on hourly pricing.

"Type (d-5) Customer" means an Eligible Customer whose electric delivery service is provided and measured on a kWh basis and whose electric supply service is based on hourly pricing.

"Type (e) Customer" means an Eligible Customer whose electric delivery service is provided and measured on a kW demand basis and whose electric supply service is not based on hourly pricing.

- 2. **Customer Eligibility.** A Residential Customer or Small Commercial Customer must be an Eligible Customer with a current Electric Supply Agreement to receive Net Metering from AEP Energy. If at any time during the term of this Agreement (the "Term") you are not an Eligible Customer or are otherwise unable to meet the requirements set forth in the Net Metering Requirements or this Agreement to receive Net Metering, you will be required to reimburse AEP Energy for any credits provided to you for Net Metering at the contracted rate set forth in the Electric Supply Agreement. AEP Energy is required to provide Net Metering to Eligible Customers until AEP Energy's load of Net Metering customers equals five percent (5%) of the total peak demand supplied by AEP Energy during the previous calendar year. AEP Energy, in its sole discretion, may provide Net Metering beyond the five percent (5%) threshold; provided, however, AEP Energy reserves the right to place a hold on all Net Metering applications received after the five percent (5%) threshold has been met.
- 3. Eligible Renewable Electrical Generating Facility. Your net metering facility must be an Eligible Renewable Electrical Generating Facility and be equipped with metering equipment that can measure the flow of electricity in both directions at the same rate. At all times during the Term, you will own and maintain all necessary equipment required for AEP Energy to provide you with Net Metering. AEP Energy is not responsible for any equipment owned, maintained or required to be owned or maintained by you under this Agreement. If at any time during the Term, the equipment required of you under this Agreement no longer meets the eligibility requirements provided under this Agreement and the Net Metering Requirements, you must notify AEP Energy to terminate this Agreement. Failure to notify AEP Energy may result in charges to you equivalent to credits issued during service under this Agreement.
- 4. **Billing.** You will be billed for your electric supply service in accordance with the terms of the Electric Supply Agreement. Net Metering will be measured in accordance with the terms of this Agreement on the amount of electricity as set forth on your bill from your LDC (excluding taxes and other LDC charges) and whether you are a Type

(d) Customer, a Type (d-5) Customer, or a Type (e) Customer. If the LDC provides utility consolidated billing (UCB) under the Electric Supply Agreement, the LDC does not provide for credits for Net Metering from Alternative Retail Electric Suppliers (ARES), such as AEP Energy, and therefore AEP Energy will maintain records of your credits for Net Metering, which you may access by calling AEP Energy at (866) 258-3782.

A. Billing for Type (d) Customers

- (1) AEP Energy shall determine whether each Type (d) Customer is a net purchaser of electricity or a net seller of electricity during the billing period.
- (2) If the Type (d) Customer is a net purchaser of electricity during the billing period, AEP Energy shall assess charges on the net amount purchased at the contract rate under which the Type (d) Customer is taking service from the electricity supplier pursuant to the Electric Supply Agreement.
- (3) If the Type (d) Customer is a net seller of electricity during the billing period, the Type (d) Customer shall receive a 1:1 kWh credit from AEP Energy that is equal to the net kWh supplied by the Type (d) Customer during the billing period.
- (4) Any credits received by the Type (d) Customer shall be carried over to subsequent billing periods. Unused credits shall expire either at the end of the annual period or, in the event the Type (d) Customer terminates service from AEP Energy, at the time the Type (d) Customer terminates service from AEP Energy.
- (5) Type (d) Customers remain responsible for all taxes, fees and LDC delivery charges that would otherwise be applicable to the net amount of electricity used by the Type (d) Customer.

B. <u>Billing for Type (d-5) Customers</u>

- (1) AEP Energy shall determine whether each Type (d-5) Customer is a net purchaser of electricity or a net seller of electricity during each hour for which the Electric Supply Agreement contract rate is applicable.
- (2) For the hours in which the Type (d-5) Customer is a net purchaser of electricity, AEP Energy shall charge the Type (d-5) Customer for the net electricity supplied to and used by the Type (d-5) Customer according to the terms of the Electric Supply Agreement to which the same Type (d-5) Customer would be assigned or be eligible if the Type (d-5) Customer were not a net metering customer.
- (3) For the hours in which the Type (d-5) Customer is a net seller of electricity, the Type (d-5) Customer shall receive an energy credit. The energy credit for an hour shall be determined by multiplying the net electricity supplied during that hour by the same price per kWh as AEP Energy would charge for kWh energy sales during that same time period.
- (4) Any credits received by the Type (d-5) Customer shall be carried over to subsequent billing periods. Unused credits shall expire either at the end of the annual period or, in the event the Type (d-5) Customer terminates service from AEP Energy, at the time the Type (d-5) Customer terminates service from AEP Energy.
- (5) Type (d-5) Customers remain responsible for all taxes, fees and utility delivery charges that would otherwise be applicable to the net amount of electricity supplied to the Type (d-5) Customer by AEP Energy.

C. Billing for Type (e) Customers

- (1) AEP Energy shall determine whether each Type (e) Customer is a net purchaser of electricity or a net seller of electricity during the billing period.
- (2) If a Type (e) Customer is a net purchaser of electricity during the billing period, AEP Energy shall assess charges on the net amount purchased at the Electric Supply Agreement contract rate under which the customer is taking service from AEP Energy.
- (3) If a Type (e) Customer is a net seller of electricity during the billing period, the Type (e) Customer shall receive a 1:1 kWh credit that reflects the kWh-based charges in the Type (e) Customer's Electric Supply Agreement electric service rate from AEP Energy that is equal to the net kWh supplied by the Type (e) Customer during the billing period.
- (4) Any credits received by the Type (e) Customer shall be carried over to subsequent billing periods. Unused credits shall expire either at the end of the annual period or, if the Type (e) Customer terminates service from AEP Energy, at the time of the termination.
- (5) Type (e) Customers remain responsible for all taxes, fees and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the Type (e) Customer.