

Policy on Emission-Free Renewable Energy Facilities Effective December 1, 2015

The following policy has been adopted by the Belmont Municipal Light Board (the “Light Board”) to establish a program for the extension of credits for excess generation from emission-free renewable energy facilities installed by customers of the Belmont Municipal Light Department (“Belmont Light”). This policy was approved by the Light Board on November 19, 2015, with an effective date of December 1, 2015, and replaces Belmont Light’s 2011 Net Metering and Buyback Tariff for Emission-Free Renewable Generating Facilities Serving Customer Load.

Section 1.01 Definitions

Capitalized terms used in this policy shall have the meanings set forth below.

Applicable Customer Tariff means any tariff of Belmont Light, as may be selected by the Host Customer, under which the Host Customer is entitled to receive electric service from Belmont Light.

Billing Period means the period of time set forth in Belmont Light’s terms and conditions for which Belmont Light bills a Customer for its electricity consumed or estimated to have been consumed.

Buyback Credit is the amount credited to the bill of a Host Customer in accordance with the terms of this policy for a Billing Period for the Buyback kilowatt-hours (“kWh”), calculated as set forth in Section 1.06 of this policy.

Buyback kWh means the kWh of electricity generated by the EFR Facility which is fed from the EFR Facility into the system of Belmont Light in an applicable Billing Period.

Buyback Metering means the process of Belmont Light, in accordance with the terms of this policy, of measuring for any given Billing Period, (a) the electricity generated by the EFR Facility and fed into the system of Belmont Light and (b) the total electricity delivered by Belmont Light to the Host Customer.

Buyback Price means the price used in conjunction with the Buyback kWh to calculate the Buyback Credit.

Buyback Services means the process of Belmont Light, in accordance with the terms of this policy, of differentiating, with the use of Buyback Metering, between (a) the electricity delivered by Belmont Light to the Host Customer which is billable to the Host Customer under the Applicable Customer Tariff and (b) the electricity generated by the EFR Facility and fed back into the system of Belmont Light, which results in the Buyback Credit calculated pursuant to this policy and credited on the bill of the Host Customer.

Customer means any person, partnership, corporation, or any other entity, whether public or private, who obtains distribution service at a customer delivery point and who is either an existing or a new customer of record of Belmont Light for its own electricity consumption.

EFR Facility means a plant or equipment located on the premises where a Host Customer takes electric service from Belmont Light (i) that is used to produce, manufacture, or otherwise generate electricity on the Host Customer's side of the meter for the consumption of the Host Customer at the premises and for injection into the system of Belmont Light and for no other purposes; (ii) that is not a transmission facility; (iii) that is a Solar EFR Facility; (iv) that when interconnected to the system of Belmont Light pursuant to the Interconnection Standards of Belmont Light, results in an aggregate capacity for all EFR Facilities so interconnected no greater than the EFR Facilities Aggregate Capacity Limit; and (v) has a capacity rating of 250 kW or less.

EFR Facilities Aggregate Capacity Limit means the aggregate capacity limit of all EFR Facilities interconnected to the system of Belmont Light pursuant to the Interconnection Standards and receiving buyback services under this policy, as such limit shall be set forth by Belmont Light from time to time pursuant to Section 1.06 of this policy.

Host Customer means a Customer with an EFR Facility that generates electricity on the Customer's side of the meter.

Interconnection Standards means Belmont Light's standards and/or guidelines for the interconnection of distributed generation to the system of Belmont Light as set forth from time to time in its public policies or filed tariffs, as the case may be.

Solar EFR Facility means a facility for the production of electrical energy that uses sunlight to generate electricity, is interconnected to the system of Belmont Light pursuant to the Interconnection Standards, and meets all requirements of an EFR Facility under this policy.

Section 1.02 Applicability

- (a) Host Customers may own, lease, or enter into power purchase arrangements for providing, an EFR Facility which meets the requirements of this policy. Ownership or lease arrangements of Host Customers shall be entered into at the sole risk of the Host Customers who will be responsible for the terms and conditions of any such arrangement. This policy applies only to power purchase arrangements for providing Solar EFR Facilities. Other types of distributed generation facilities, except for existing distributed generators as of the effective date of this policy as set forth in (b), below, shall not be entitled to services under this policy. Sales by owners or operators of other types of distributed generation facilities to customers of Belmont Light are not permitted in the service territory of Belmont Light.
- (b) Host Customers may receive service from Belmont Light under any Applicable Customer Tariff. Host Customers without demand meters shall be responsible for the Customer Charge, and Host Customers with demand meters shall be responsible for the both the Customer Charge and the Demand Charges only under the applicable tariff.
- (c) The total generation of the EFR Facility which is fed back into the system of Belmont

Light shall be the basis for a Buyback Credit as set forth in Section 1.06 below.

- (d) Other than buyback service under this policy, this policy does not entitle the Host Customer or any different owner or operator of the EFR Facility, as the case may be, to have access to the lines, wires or any other facilities of Belmont Light for any other purpose, including, without limitation, for the purpose of making retail or wholesale sales to any other person or entity with the use of such lines, wires or other facilities of Belmont Light.
- (e) Only the accounts of the Host Customer (and if applicable, any tenants of Host Customer) at the premises where the EFR Facility is located shall be eligible to receive a Buyback Credit during the applicable periods. No other accounts of the Host Customer, nor any accounts of any other customer of Belmont Light, nor any other person or entity, shall be allocated any portion of the Host Customer's applicable credits.
- (f) An EFR Facility may provide electricity for the end use of only the Host Customer (and/or the tenants of Host Customer) under the accounts of the Host Customer (and/or the tenants of Host Customer) at the premises where the EFR Facility is located. No other account of the Host Customer or any account of any other customer of Belmont Light, nor any other person or entity, may receive electricity for end use or for resale from an EFR Facility subject to this policy.
- (g) Service provided by Belmont Light under this policy is also subject to Belmont Light's printed requirements and Belmont Light's Terms and Conditions – Distribution Service, each as in effect from time to time.

Section 1.03 Interconnection

Interconnection of EFR Facilities is governed by the terms of Belmont Light's Interconnection Standards and sets forth the following information for buyback services:

- (a) Application procedures;
- (b) Information necessary for requests;
- (c) Metering and technical requirements; and
- (d) Termination and suspension provisions.

The Host Customer at any time may indicate its request for Buyback Services on its application pursuant to the Interconnection Standards.

Section 1.04 Metering and Reporting of Generation

The existing Host Customer's meter must be able to record or calculate for each month (i) the electricity generated by the EFR Facility and injected into the system of Belmont Light, and (ii) total electricity delivered by Belmont Light to the Host Customer. The Host Customer's meter must also be in compliance with all other metering requirements and policies of Belmont Light in effect at the time. If the Host Customer's meter does not meet the above requirements, Belmont Light shall install, at the expense of the Host Customer, metering of a type chosen by Belmont Light; either installed by Belmont Light or by a contractor approved by Belmont

Light; and paid for by the Host Customer, either in a lump sum or over time as Belmont Light may reasonably determine.

Section 1.05 Buyback: Billing for Deliveries under the Applicable Customer Tariff and Administration of Buyback Credits

1. Belmont Light shall bill a Host Customer under the Applicable Customer Tariff for all electricity delivered by Belmont Light to a Host Customer for any Billing Period.
2. Belmont Light shall calculate a Buyback Credit as set forth in Section 1.06 below, and provide the Buyback Credit only to the Host Customer's applicable account for each Billing Period for the electricity generated by the EFR Facility and fed into the system of Belmont Light, if any.

Section 1.06 Calculation of the Buyback Credit

1. For an EFR Facility, Belmont Light shall calculate for each applicable Billing Period a Buyback Credit equal to the product of the Buyback kWh and the Buyback Price.
2. For Billing Periods ending on December 31, 2017 or before, the Buyback Price shall be \$0.11 per kWh.
3. For Billing Periods ending in the period January 1, 2018 to December 31, 2018, and for each calendar year thereafter, the Buyback Price in a given year shall be the sum of \$0.02061 and Belmont Light's Residential Rate A Generation charge in effect on December 1st of the immediately preceding year, rounded to the nearest whole cent.
4. Notwithstanding Sections 1.06 2 and 3 above, Host Customer's with signed interconnection agreements dated before the effective date of this policy will continue to receive retail net metering for all electricity delivered to the Belmont Light distribution system for three years from the effective date of this policy; thereafter the Buyback Price applicable to these Host Customers will be as set forth in Sections 1.06 2 and 3 above. Full retail net metering is defined as the sum of the following:
 - (i) the Distribution Energy Charge; and
 - (ii) the Transmission Energy Charge; and
 - (iii) the Generation Energy; and
 - (iv) the Conservation Energy Charge; and
 - (v) the Purchased Power Adjustment (MDPU No. 110); and
 - (vi) the Rate Stabilization Adjustment (MDPU No. 120); and
 - (vii) NYPA Hydro Power Adjustment (MDPU No. 107).
5. For any Billing Period for which Belmont Light calculates a Buyback Credit for a Host Customer, Belmont Light shall apply the Buyback Credit only to the Host Customer's applicable account. Belmont Light shall carry forward, from Billing Period to Billing Period, any remaining Buyback Credit balance. The quantity and allocation of Buyback

Credits shall be limited in accordance Belmont Light's Terms and Conditions – Distribution Service, each as in effect from time to time.

Section 1.07 Determination of EFR Facilities Aggregate Capacity Limit

Belmont Light shall not process new applications after such time that the aggregate capacity of all solar distributed generation in Belmont receiving new metering or buyback services in addition to all applications previously submitted to Belmont Light under this policy exceeds 1,000 kW (one megawatt). Upon reaching the 1,000 kW limit, the Light Board will promptly assess the advisability of further EFR facilities. The Light Board may then increase the EFR Facilities Aggregate Capacity Limit in its discretion.

Section 1.08 Renewable Energy and Environmental Attributes

The provision of net metering or buyback services does not entitle Belmont Light to ownership of, or title to, the renewable energy or environmental attributes, including renewable energy certificates, associated with any electricity produced by an EFR Facility.