

Substitute Third Revision Sheet 63
Canceling
Second Revision Sheet 63

WN U-28

AVISTA CORPORATION
dba Avista Utilities

SCHEDULE 63
NET METERING OPTION SCHEDULE
WASHINGTON

DEFINITIONS:

“Customer Generator” means a user of a Net Metering System.

“Generating Facility” A source of electricity owned, or whose output is owned, by the Interconnection Customer that is located on the Interconnection Customer's side of the Point of Common Coupling, and all ancillary and appurtenant facilities, including Interconnection Facilities, which the Interconnection Customer requests to interconnect to the Electrical Company's Electric System.

“Meter Aggregation” means the administrative combination of readings from and billing for all meters, regardless of the rate class, on premises owned or leased by a customer-generator located within the service territory of a single electric utility.

“Net Metering” means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a generating facility that is fed back to the electrical company over the applicable billing period.

“Net Metering System” means a fuel cell, a facility that produces electricity and used and useful thermal energy for a common fuel source, or facility for the production of electrical energy that generates renewable energy, and that:

- (A) Uses as its fuel either water, wind, solar energy, or biogas from animal waste;
- (B) Has an electrical generating capacity of not more than 100 kilowatts;
- (C) Is located on the customer-generator's premises;
- (C) Operates in parallel with the electric utility's transmission and distribution facilities; and
- (E) Is intended primarily to offset part or all of the customer-generator's requirements for electricity.

“Premises” means any residential property, commercial real estate, or lands, owned or leased by a Customer generator within the service area of a single utility.

“Third-party owner” means an entity that owns a generating facility located on the premises of a Interconnection Customer and has entered into a contract with the Interconnection Customer for provision of power from the Generating Facility. When a third-party owns a net-metered generating facility, the Interconnection Customer maintains the net metering relationship with the electrical company. A third-party owner does not resell electricity produced from a net-metered Generating Facility

(K) Material has been transferred to Sheet 63A.

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By Kelly Norwood, V.P., State & Federal Regulation

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SCHEDULE 63 - NET METERING OPTION - Continued

AVAILABLE:

Net Metering shall be available to eligible Customer Generators who are customers of Avista Utilities on a first-come, first-served basis until the cumulative generating capacity of net metering systems equals 7.6 MW which is 0.5% (one-half of one percent) of the Company's retail peak demand during 1996. Not less than one-half of the utility's 1996 peak demand available for net metering systems shall be reserved for the cumulative generating capacity attributable to net metering systems that generate renewable energy. Customer Generators electing this option shall be subject to the following terms and conditions.

- (1) Customer Generator eligibility - To be eligible for the net metering option, a Customer Generator must use a net metering system as defined above.
- (2) Cost to Customer Generator of metering and interconnection- Customer Generators electing the net metering option shall be interconnected using a standard kilowatt-hour meter capable of registering the flow of electricity in two directions. The costs to the Customer Generator include:
 - (A) The Company's basic charge billed under the Customer Generator's applicable standard service Schedules 1, 11, 21, or 25.
 - (B) The Company shall not be liable directly or indirectly for permitting or continuing to allow the attachment of a net metering system, or the acts or omissions of a Customer Generator, that causes loss or injury, including death, to a third party.
- (3) Standards -The net metering system used by a Customer Generator must include, at the Customer Generator's own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories. The Company will measure the net electricity produced or consumed during the billing period, in accordance with normal metering practices. The Company's written approval of the Customer Generator's protection-isolation method to ensure generator disconnection in case of a power interruption from the Company is required before service is provided under this schedule.
- (4) Balances of generation and usage by the customer-generator:
 - (A) If electricity supplied by the Company exceeds the electricity generated by the Customer Generator and fed back to the Company during the billing period, the Customer Generator shall be billed for the net electricity supplied by the Company at the Customer Generator's standard schedule retail rate, in accordance with normal metering practices.

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SCHEDULE 63 - NET METERING OPTION - Continued

- (B) If electricity generated by the Customer Generator exceeds the electricity supplied by the Company, the Customer Generator:
 - (i) Shall be billed for the appropriate customer charges for that billing period, in accordance with section (2)(A), and
 - (ii) Shall be credited for the excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on the bill for the following billing periods and used to reduce the bill for the following period from the Company.
- (5) Remaining unused kWh credits – On April 30th of each year, any remaining unused kilowatt-hour credit accumulated during the previous year shall be granted to the Company, without any compensation to the Customer Generator.
- (6) Reversion to previous service - The customer-generator, upon selecting the net metering option, may not revert to the Customer Generator's previous metering system without written agreement by the Company.

SPECIAL TERMS AND CONDITIONS FOR METER AGGREGATION

Upon the Customer Generator's request, the Company shall aggregate for billing purposes the meter that is physically attached to the net metering system ("designated meter") with one or more meters located on the Customer Generator's premises ("aggregated meter(s)"). Not more than a total of one hundred kilowatts shall be aggregated among all Customer Generators participating in the Generation Facility. Meters so aggregated shall not change rate classes due to meter aggregation, must be and remain on property owned or controlled by the Customer Generator, and must remain under the same name or account as the Customer Generator.

For Customer Generators participating in meter aggregation, kilowatt-hours credits earned by a net metering system during the billing period first shall be used to offset electricity supplied to the designated meter by the Company. Excess kilowatt-hours credits earned by the net metering system, during the same billing period, shall be credited equally by the Company to the aggregated meter(s) located on all premises of a Customer Generator at the designated rate of each meter. A designated meter cannot be aggregated with another designated meter.

The Customer Generator will be billed an Aggregation Basic Charge which consists of an additional basic charge equal to the basic charge in the schedule under which the aggregated meter(s) is billed for all schedules.

The Company shall not provide wheeling or transmission service for the Customer Generator. The Customer Generator's Generated Energy will be applied to consumption on the Customer Generator's Premises or aggregated with an Aggregated Meter(s).

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SCHEDULE 63 - NET METERING OPTION - Continued

Avista Utilities
East 1411 Mission Ave.
Spokane, WA 99202



- i. billed for the appropriate customer service charge as other customers of Avista in the same rate class; and
- ii. credited for the net excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on Customer's bill for the following billing period.

2.4 **Meter Aggregation:** Upon the Customer's request, the Company shall aggregate for billing purposes the meter that is physically attached to the Generating Facility ("designated meter") with one or more meters located on the Customer's premises that are owned or leased by the Customer within the service territory of the Company ("aggregated meter(s)"), provided that the total load of the net metering system does not exceed one hundred kilowatts. Meters so aggregated shall not change rate classes due to meter aggregation, must be and remain on property owned or controlled by the Customer Generator, and must remain under the same name or account as the Customer Generator. If Customer chooses to participate in meter aggregation, kilowatt-hours credits earned by Generating Facility during the billing period first shall be used to offset electricity supplied to the designated meter by the Company. Excess kilowatt-hours credits earned by the net metering system, during the same billing period, shall be credited equally by the Company to the aggregated meter(s) located on all premises of a Customer at the designated rate of each meter. A designated meter cannot be aggregated with another designated meter. The Customer will be billed an Aggregation Basic Charge which consists of an additional basic charge equal to the basic charge in the schedule under which the aggregated meter is billed for all schedules.

2.5 The Company shall not provide wheeling or transmission service for the Customer Generator. The Customer Generator's Generated Energy will be applied to consumption on the Customer-Generator's Premises or aggregated with an Aggregated Meter(s).

2.6 On April 30th of each calendar year, any remaining unused kilowatt-hour credit accumulated by the Customer during the previous year will be granted to Avista, without any compensation to the Customer.

2.7 Customer shall pay any amount owing for electric service provided by Avista in accordance with applicable rates and policies stated in Avista's current tariffs filed with and approved by the state agency having appropriate jurisdiction.

3.0 INTERRUPTION OR REDUCTION OF DELIVERIES

- 3.1 Avista may require Customer to interrupt or reduce energy deliveries as follows:
- i. when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any Avista equipment or part of its system; or
 - ii. if Avista determines that curtailment, interruption, or reduction is necessary because of emergencies, force majeure, or compliance with prudent electrical practices.

3.2 Whenever possible, Avista will give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

Net Metering Interconnection Agreement
Rev October 2013

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Avista Contract No.

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