

Hingham Municipal Light Plant

Net Metering Policy

SUMMARY:

This policy, and the terms and conditions contained therein, apply to renewable generation facilities (Facility) including solar, wind and biomass located on the customer's premises, i.e., the same place at which the customer receives electric service from Hingham Municipal Lighting Plant (HMLP), where such facilities are owned or leased by the customer and used solely for the purpose of the customer's own consumption.

The output of a Facility may be used internally by the customer owning the Facility but the energy may not be distributed to any other user located in HMLP's service territory. Any third party is strictly prohibited from distributing or selling electricity to anyone in HMLP's service territory.

The availability of net metering to a customer that owns or leases a Facility is subject to the terms and conditions of this policy, as well as HMLP's General Terms and Conditions, as may be in effect from time to time. In its sole discretion, HMLP may limit the cumulative generating capacity of all Facilities in its service territory and may change the terms and conditions of this policy or terminate this policy at any time.

PRICING FOR EXCESS ENERGY:

The following describes the basis of the price that HMLP will pay to a customer owning a Facility that sends energy into HMLP's distribution system from time to time. In the event the Facility produces more energy than is required by the customer and sends energy to HMLP's distribution facility (Excess Energy), then HMLP will purchase that Excess Energy ("Excess Energy Purchase Price") under this "net metering" policy as follows:

- The Excess Energy Purchase Price for Facilities with a total capacity of 15 kW or less is the average unit cost (\$/kWh) of HMLP's total power supply, which is the total cost of HMLP's power supply divided by the total amount of kWh received from those resources.
- The Excess Energy Purchase Price for Facilities with a total capacity greater than 15 kW will be the average unit cost (\$/kWh) of HMLP renewable power supply resources, which is the total cost of HMLP renewable power resources minus the value of any Renewable Energy Certificates or Solar Renewable Energy Certificates received by HMLP divided by the total amount of kWh received from those renewable resources.

HMLP will recalculate the Excess Energy Purchase Prices described above annually and they will be applicable to all Excess Energy purchased by HMLP.

The payment to customers for Excess Energy from their Facilities will be in the form of a credit on the HMLP monthly electric bill in the month following HMLP's recording of the Excess Energy.

The amount of the credit for Excess Energy due to a customer is calculated as follows:

Monthly Excess Energy (kWh) produced by the Facility x HMLP's Excess Energy Purchase Rate(\$/kWh) = total credit due customer.

METERING REQUIREMENTS:

All Facilities must be equipped with a separate revenue quality meter provided by HMLP in order to accurately meter the kWh output of the Facility. The metering scheme required for the Facilities is outlined in HMLP's Interconnection Standards available on HMLP's website or at HMLP's offices, the costs of which are borne solely by the customer.

HMLP's metering requirements may change from time to time.

INTERCONNECTION TERMS AND CONDITIONS:

HMLP has developed Interconnection Standards for the interconnection of a Facility to HMLP's distribution system. HMLP's Interconnection Standards must be strictly adhered to by the customer responsible for installing the Facility. It may be necessary for HMLP to perform, or cause to be performed, system studies to determine the effects of the Facility being interconnected to HMLP's distribution system. The cost of the required system studies will be the responsibility of the customer installing the system and that cost will be paid in full by the customer prior to the system becomes operational. The Customer shall be responsible for paying HMLP for any upgrades to HMLP's system required by the interconnection of the Facility to HMLP's 's system.

HMLP will conduct an on-site inspection of the Facility's interconnection and will provide a written authorization that the customer can proceed with the operation of the Facility.

HMLP shall own and install all electric facilities on its side of the meter. If electric facilities are required to be built or reconfigured on HMLP's distribution system solely for interconnection of the Facility to HMLP's distribution system; the cost of these electric facilities shall be borne solely by the customer installing the Facility.

A preliminary estimate of HMLP's cost of electric facilities required for interconnection of the Facility shall be sent to the customer installing the Facility one month prior to construction of the electric facilities. The customer shall pay the amount of the estimate prior to HMLP performing any interconnection work. Once the interconnection work is complete HMLP will true up the difference between the cost estimate and the actual interconnection cost incurred by HMLP.

Parallel operation of the Facility (interconnection with HMLP's distribution system) must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the HMLP. The Facility must cease parallel operation upon notification by the HMLP if such operation is determined to be unsafe, interferes with the supply of service to others or interferes with system operation or maintenance.

The HMLP may disconnect the Facility from its system at any time that the HMLP determines, in its sole discretion, that the safety and reliability of its system may be compromised by the operation of the Facility. In the event that the Facility damages HMLP's system, the customer shall be solely responsible for all costs associated with the repair and/or replacement of the damaged portion of the Lighting Plant's system and/or equipment.

HMLP shall not be liable to the customer or any other person for any loss, injury, damage, casualty, fees or penalties, asserted on the basis of any theory, arising from, related to or caused by the construction, installation, operation, maintenance or repair of the Facility, and associated equipment and wiring, except to the extent of its own gross negligence or willful misconduct, but only to the extent permitted by law. Neither by inspection nor non-rejection nor in any other way does the HMLP give any warranty, expressed or implied as to the adequacy, safety or other characteristics of any equipment, wiring or devices, installed on the customer's premises, including the Facility.

The customer shall indemnify and hold harmless HMLP, its Board members, managers, employees, agents, consultants, attorneys and assigns from and against any and all losses, claims, damages, costs, demands, fines, judgments, penalties, payments and liabilities, together with any costs and expenses (including attorneys' fees) incurred in connection with, resulting from, relating to or arising out of the construction, installation, operation, maintenance and repair of the Facility, including the customer's failure to comply with the HMLP's Terms and Conditions or any abnormality or failure in the operation of the Facility, or any adverse impact to the HMLP's system or its other customers. The customer shall maintain sufficient insurance to cover any damage to HMLP's system caused by the construction, operation, maintenance and repair the Facility and shall name the Lighting Plant as additional insured. The customer shall provide HMLP with proof of satisfactory insurance upon request.

TERMINATION:

Failure of the Facility to comply with any of the requirements set forth in this policy may result in disconnection of the Facility from HMLP's system without notice. The Facility is also subject to HMLP's Terms and Conditions, in effect from time to time and where not inconsistent with any specific provisions above.

The customer may cease receiving net metering credits under this policy by providing written notice to HMLP. HMLP reserves the right to discontinue paying credits for Excess Energy at any time, in its sole discretion, upon thirty (30) days' notice to the customer.

In the event that a transfer of ownership of the renewable distributed generation facility to a new customer occurs, the customer must notify the HMLP in writing thirty (30) days in advance of the transfer date.

Effective Date: January 1, 2017