

ARP Net Metering Policy

Section 1. Establishment of ARP Participant Net Metering Policy

1.01. ARP Participant may establish a Net Metering program in accordance with this Net Metering Policy (this “Policy”). ARP Participant may offer Net Metering to eligible customers who intend to operate customer-owned renewable generation in parallel with ARP Participant’s electric distribution system that is primarily intended to offset all or part of the customer’s electric consumption at the specific site where the customer-owned renewable generation is installed. ARP Participant may interconnect with and allow net metering of eligible customer-owned renewable generation in accordance with this Policy.

1.02. Eligible customers must operate their customer-owned renewable energy generation in parallel with ARP Participant’s electric distribution system, and shall provide as-available generation to ARP Participant at the point of interconnection. Before beginning parallel operations, customers must enter into (1) the Tri-Party Net Metering Power Purchase Agreement, a copy of which is attached to this Policy as Appendix A; and (B) Utility’s Standard Interconnection Agreement for Customer-Owned Renewable Generation.

Section 2. Customer Metering

2.01. ARP Participant shall cause to be installed metering equipment at the point of delivery capable of recording two separate meter readings: (1) the flow of electricity from ARP Participant to the Customer, and (2) the flow of excess electricity from the Customer to ARP Participant. ARP Participant shall take meter readings on the same cycle as the otherwise applicable rate schedule.

Section 3. Customer Billing and Crediting

3.01. Pursuant to the All-Requirements Power Supply Contract between ARP Participant and Florida Municipal Power Agency, dated as of October 23, 2000 (the “ARP Contract”), ARP Participant has contractually agreed to purchase from FMPA, and FMPA has agreed to sell to ARP Participant, all capacity and energy necessary to operate ARP Participant’s electric system. Because of this, ARP Participant may not directly purchase excess customer-owned renewable generation supplied to ARP Participant’s electric distribution system. However, in order to promote the development of small customer-owned renewable generation, FMPA has developed this Policy, pursuant to which FMPA will purchase excess customer-owned renewable generation from eligible ARP Participant’s customers that take part in ARP Participant’s Net Metering program and are interconnected to ARP Participant’s electric system.

3.02. Customer-owned renewable generation shall first be used for Customer’s own load, and shall offset Customer’s demand for electricity from ARP Participant. Excess customer-owned renewable generation that is not used for Customer’s load shall be delivered to ARP Participant’s electric distribution system. Excess customer-owned renewable generation

delivered to ARP Participant's electric distribution system shall be recorded separately from electricity delivered to Customer from ARP Participant. Customer shall be charged for electricity delivered to Customer by ARP Participant in accordance with the otherwise applicable retail rate schedule. Excess customer-owned renewable generation shall be credited by ARP Participant on Customer's monthly electric consumption bill at a rate determined by FMPA, which shall be calculated in accordance with Appendix B, which is attached to this Policy.

3.03. ARP Participant may, in its sole discretion and at its sole cost and expense, offer its net metering customers a renewable production incentive for excess kilowatt hours generated by the customer-owned renewable generation and delivered to ARP Participant's electric distribution system.

Section 4. ARP Participant Billing and Crediting

4.01. On a monthly basis, ARP Participant shall calculate the total kilowatt hours of all excess customer-owned renewable generation that is delivered to ARP Participant's electric distribution system for the previous month. FMPA shall purchase such kilowatt hours of customer-owned renewable generation in the form of a credit on ARP Participant's ARP Bill. This process and rate calculation is more fully described in Appendix B.

4.02. FMPA shall not reimburse ARP Participant for any renewable production incentives provided by ARP Participant to its net metering customers in accordance with Section 3.03.

4.03. Excess customer-owned renewable generation that has been purchased by FMPA pursuant to Section 4.01 remains on ARP Participant's electric system and is used by ARP Participant to meet the electric needs of its other customers. Therefore, as part of the monthly ARP billing adjustment, excess customer-owned renewable generation will be reflected on ARP Participant's monthly ARP Bill, as more fully described in Appendix B.

Section 5. Program Administration

5.01. ARP Participant shall be responsible for developing and administering an application process for interconnection and net metering of customer owned renewable generation in accordance with the Policy. ARP Participant shall be responsible for ensuring the necessary metering equipment as well as conducting the appropriate inspections of customer-owned generation systems.

5.02. As a condition of providing Net Metering service, ARP Participant and eligible customers shall be required to execute the Tri-Party Net Metering Power Purchase Agreement. The Tri-Party Net Metering Power Purchase Agreement shall set forth the terms and conditions of FMPA's purchase of excess energy from interconnected renewable generators in accordance with this Policy.

5.03. ARP Participant shall develop and administer a separate agreement between ARP Participant and Customer setting forth the terms and conditions for interconnection and net metering of customer-owned renewable generation that is consistent with this Policy.

5.04. ARP Participant shall be responsible for collecting the necessary information and making the required annual filings with the Public Service Commission to fulfill the requirements of Rule 25-6.065 of the Florida Administrative Code, as it may be amended.

Section 6. Limit on Enrollment

6.01. Each ARP Participant may offer net metering service to customer-owned renewable generators under this Policy on a first-come first-served basis until the time that the total rated generating capacity used by eligible customer-owned renewable generators exceeds 2.5% of the ARP Participants aggregate customer peak demand.

6.02. In the event that the total rated generating capacity of an ARP Participant's net metering customers meets the limit on enrollment set forth above, subsequent applicants for net metering service shall be considered on an individual basis by FMPA, with due consideration given to the customer's impact on ARP Participant's system and the rate impact on all ARP Participants' customers.

Section 7. Green Attributes/Renewable Energy Certificates

7.01. FMPA and ARP Participant shall negotiate with net metering customers for the right to all Green Attributes associated with the customer owned renewable generation that is interconnected to ARP Participants electric distribution system. The term Green attributes shall include any and all credits, certificates, benefits, environmental attributes, emissions reductions, offsets, and allowances, however entitled, to the generation of electricity from the customer-owned renewable generation and its displacement of conventional energy generation.