

**SECTION 3**  
**CITY OF HUDSON**  
**NET METERING Billing RATE SCHEDULE**

*Net Metering Billing Rate Schedule.* Customers who generate a portion or all of their own electrical needs and provide any excess generation to the City of Hudson's system can receive a billing credit equal to the City's wholesale cost of energy. The unit (kWh) credit to a Hudson Public Power customer's account for surplus power returned to the electric grid as registered by the electric meter will be credited on the Customer's monthly electric bill and said monthly credit shall be limited to the amount billed to Customer under Utility's applicable electric rate schedule for energy supplied by Utility. Any monthly excess credit will not be carried over to Customer's subsequent electric bills. ~~at the City's established kWh rate minus ( ) the cost of service (COS) at the time of the credit as calculated by the City Utility Billing Department.~~ This billing credit shall be provided to the customer under a the net metering billing rate schedule subject to the following terms and conditions:

- 1) *Limitations.* Billing under this schedule is limited to customers who operate a solar renewable energy source electric generating technology. The eligible facilities must be installed on the customer's premises. The maximum size of the electric generation eligible for net metering is 25Kw (inverter rating) or under for residential units and 200 kW (inverter rating) or under for commercial or industrial units. To qualify for this schedule, customer's non-dispatchable (solar) generating units will be limited in size, not to exceed customer's annual self-service energy needs, measured in kWh. The customer property at the distributed generation site's usage history over the last three years, if available, shall be used as a benchmark for determining this kWh total. If a customer has more than one generator, to qualify for this schedule, the total capacity of the generators shall be less than the maximum listed above. The City of Hudson may restrict or deny service under this Schedule once the total connected generation provided under this Schedule equals or exceeds one percent of the City of Hudson's previous year's peak demand. The customer's facility must be in compliance with the City of Hudson's existing interconnection rules and regulations.
- 2) *Monthly Rate.* Deliveries from the City to the customer shall be billed in accordance with the standard applicable rate schedules.
- 3) *Customer Credits for Net Excess Generation (NEG).* Net Excess Generation (NEG) represents the amount of electric generation by the customer beyond the customer's own metered usage which is delivered to the City of Hudson during the billing period. The credit to the customer shall not exceed the dollar amount the City of Hudson bills the customer for energy consumption in any billing period. Instead, the net excess dollar amount shall be allowed to accumulate as a net excess generation (NEG) credit to offset the customer's energy charges in

the next billing period. The credit will be adjusted based on the currently used power cost adjustment. Net excess generation (NEG) credits, if any, will be carried over from month to month. Following the customer's December billing cycle, the customer's credit balance will be reset to zero. Any unused net excess generation (NEG) credits will be retained by the City of Hudson to offset costs associated with the operation of the net metering program.