

**CUSTOMER GENERATING SYSTEMS – NET METERING PROGRAM
20kW OR LESS RATE - CGS Category 1**

Availability:

The Company's Net Metering Program is available on a first come, first served basis until the nameplate capacity of all participating generators is equal to the maximum program limit of 1% of the Company's peak load for the preceding calendar year allocated to include no more than 0.5% for customers generating 20kW or less. Upon enrolling in the Net Metering Program, customers shall be eligible to continue participation for a minimum period of ten years. A participating customer may terminate participation in the Company's Net Metering Program at any time for any reason.

Hours of Service: *Twenty-four.*

Character of Service:

Alternating current, 60 Hertz, single-phase or three-phase at any Company standard voltage available at the customer-owned generating system site.

Customer Eligibility:

To be eligible to participate in the Net Metering Program, customers must generate a portion or all of their own retail electricity requirements using a renewable energy resource. A renewable energy resource comes from the sun or from thermal inertia of the earth and minimizes the output of toxic material in the conversion of the energy and includes, but is not limited to, all of the following:

- a. Biomass*
- b. Solar and solar thermal energy*
- c. Wind energy*
- d. Kinetic energy of moving water, including the following:
 - i. Waves, tides or currents*
 - ii. Water released through a dam**
- e. Geothermal energy*
- f. Municipal solid waste*
- g. Landfill gas produced by municipal solid waste.*

Eligible customers must be Full Requirements Service customers under either Residential, General Secondary or General Primary services. A customer using biomass blended with fossil fuel as a renewable energy source must submit proof to the Company substantiating the percentage of the fossil fuel blend either by (1) separately metering the fossil fuel, or (2) providing other documentation that will allow the Company to correctly apply a generation credit to the output associated with the customer's renewable fuel only.

The generation equipment must be located on the customer's premises, serving only the customer's premises and must be intended primarily to offset a portion or all of the customer's requirements for electricity. At the customer's option, the generation capacity shall be determined by one of the following methods:

- (i) Aggregate nameplate capacity of the generator(s).*
- (ii) An estimate of the expected annual kWh output of the generator(s).*

Customers shall not be allowed to switch their generation back and forth between two or more rate schedules to circumvent the intent of rate design. At the customer's option, the customer's annual electricity needs shall be determined by one of the following methods: (1) the customer's annual energy usage, measured in kWh, during the previous 12 month period; (2) for a customer with metered demand data available, the maximum integrated hourly demand measured in kW during the previous 12 month period; or (3) in cases where no data, incomplete data, or incorrect data for the customer's past annual energy usage is available, or where the customer is making changes on-site that will affect the customer's future total annual energy usage, the Company and the customer shall mutually agree on a method to determine the customer's future annual energy usage.

(Continued on Sheet No. D-45.00)

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R.A. Draba
Vice-President,
Milwaukee, Wisconsin

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after *November 13, 2009*

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CUSTOMER GENERATING SYSTEMS – NET METERING PROGRAM
20kW OR LESS RATE - CGS Category I
(Continued from Sheet No. D-44.00)

The requirements for interconnecting a generator with the Company's facilities are contained in the Michigan Public Service Commission's Electric Interconnection and Net Metering Standards Rules (R 460.601a-460.656) and the Company's Michigan Electric Utility Generator Interconnection Requirements, copies of which will be provided to customers upon request. Customers shall be provided a copy of the Company's Generator Interconnection Application and Net Metering Application and shall be required to complete both applications and submit them with all applicable application fees for review and approval prior to interconnection of their generators to the Company's facilities. The Company's interconnection application fee is \$75 and net metering application fee is \$25. All requirements of the MPSC's Electric Interconnection and Net Metering Standards and the Company's Net Metering Program must be met prior to commencing Net Metering service.

A customer who is enrolled in the Net Metering Program will continue to take electric service under the Company's applicable service tariff.

Metering:

The Company may determine the customer's net usage using the customer's existing meter if it is capable of reverse registration or may, at the Company's expense, install a single meter with separate registers measuring power flow in each direction. If the Company uses the customer's existing meter, the Company shall test and calibrate the meter to assure accuracy in both directions. If the customer's meter is not capable of reverse registration and if meter upgrades or modifications are required, the Company shall provide a meter or meters capable of measuring the flow of energy in both directions to the customer at cost. Only the incremental cost above that for meter(s) provided by the Company to similarly situated non-generating customers shall be paid by the eligible customer. A generator meter will be supplied to the customer, at the customer's request, at cost.

Rate:

Monthly Charges:

Customers enrolled in the Net Metering Program with a system capable of generating 20 kW or less qualify for true net metering billings or credits under the program. The customer shall pay the Distribution Charges and Power Supply Charges associated with the standard service tariff applicable to the customer when the customer's monthly net usage results in a net flow of energy from the Company to the customer. When the customer's monthly net usage results in a net flow of energy from the customer to the Company, the customer shall be credited for the energy provided to the Company at full retail rate from the applicable service tariff.

Standby charges shall not be applied to customers with systems capable of generating 20 kW or less.

For customers who qualify for true net metering under the Net Metering Program, the credit for any excess generation, as determined by each month's meter reading, shall be credited against the following month's bill. Any credit carried forward to the following month that is not used up that month shall be carried forward for use in subsequent billing periods. If a customer terminates service with the Company while having a net metering credit amount on the customer's account, the Company shall refund the remaining credit amount to the customer following a final reading by the Company of the customer's net meter.

Renewable Energy Surcharge: *Subject to the Renewable Energy Surcharge shown on Sheet No. D-5.03 only when a net purchaser from the Company.*

Energy Optimization Surcharge: *Subject to the Energy Optimization Surcharge shown on Sheet No. D-5.01 only when a net purchaser from the Company.*

Subject to power supply cost recovery factor. See Sheet No. D-3.00