

TOWN OF HULL
MUNICIPAL LIGHT DEPARTMENT
NET METERING RATE
TERMS AND CONDITIONS FOR
RENEWABLE DISTRIBUTED GENERATION FACILITY SERVICE
RATED NO GREATER THAN 15 KW

Designation: DG-2

Availability: This tariff, and the terms and conditions contained therein, apply to certain renewable generation facilities located on the customer's premises, i.e., the same place at which is receives electric service from Hull Municipal Light Department (the Department), where such facilities are owned or leased by the customer and used solely for the purposes of the customer's own consumption. Net metering as set forth herein is available for any qualifying renewable distributed generation facility including, but not limited to, Wind, Photovoltaics, Biomass, Hydroelectric, Fuel Cells, Combined Heat and Power (CHP) Generation and Municipal Solid Waste with generation facilities rated no greater than 15 kW ("Renewable Distributed Generation Facility"). Any Renewable Distributed Generation Facility rated greater than 15 kW needs to be contracted through the Department under a separate written agreement. The use of a Renewable Distributed Generation Facility for providing service to a third party is strictly prohibited. The availability of net metering to a customer that owns or leases a Renewable Distributed Generation Facility is subject to the terms and conditions of this tariff, as well as the Department's general Terms and Conditions where not inconsistent, as may be in effect from time to time. In its sole discretion, the Department may limit the cumulative generating capacity of all Renewable Distributed Generation Facilities in its service territory.

Third Party Purchase Power Agreements (PPA's): All PPA's are not allowed under the net metering policy and will be treated as DG generators as defined in the above paragraph. Third Party PPA's allow generation developers to sell electricity to customers competing with HMLP for that customer's sales. State Law exempts municipal electric utilities from offering retail wheeling. Customers

must own all equipment installed at the customer site in order to qualify for Net Metering.

Metering Requirements:

The Department will replace the existing house meter with bi-directional metering equipment that is capable of registering the flow of electricity in each direction. The Department will be responsible for the maintenance and service of the bi-directional metering equipment.

Unless otherwise agreed in writing with HMLP, a Host Customer with a Net Metering Facility, who does not have a generation information system ("GIS") account at ISO-NE, will provide, if available, the inverter's generation information to HMLP twice per calendar year: on or before January 31 and on or before September 30. At the Department's option, all Renewable Distributed Generation Facilities must be equipped with a separate revenue quality meter provided by the Department in order to accurately meter the kWh output from the facility. This separate meter will have the designation DG-2.

Rate:

Net Metering Distribution Charge: \$2.00 per kilowatt of installed solar generation capacity per month

Net Metering Credit: All monthly kWh produced by the Renewable Distributed Generation Facility and delivered through the net meter to the Department's system will be credited to the customer on their monthly invoice. The amount of credit due to customer will include all components of rates and charges in effect.

Minimum Bill: There is no minimum amount on a monthly bill. Billing is based solely on kWh produced by the facility.

Interconnection Terms and Conditions: The Department shall own and install any interconnection facilities on the Department side of the meter required for the facility. The costs associated with the installation and maintenance of the Renewable Distributed Generation Facility will be borne by the customer. These

costs include, but are not limited to, the costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Department directly related to the installation and maintenance of the facilities necessary to permit interconnected operations with the customer. The customer shall pay for these interconnection costs as determined as follows:

In addition to the costs detailed above, the actual costs associated with relocating and/or rearranging existing facilities to allow interconnected operation will also be borne by the customer. A monthly charge shall not apply to these costs. Payment for these costs shall be on a one-time lump-sum basis and calculated in the same manner that the Department charges its other customers for similar work.

The Renewable Distributed Generation Facility will have equipment specifications and plans for control devices, interconnection facilities and protective devices approved by the Department in advance of energizing the facility. Such protective devices shall include an outdoor manual disconnect switch. The relays and protective equipment shall be subject, at all reasonable times, to inspection by the Department's authorized representative. All installations must be properly permitted by the appropriate Town departments.

At the Department's request, the customer shall furnish, install and maintain, at its expense, corrective apparatus which results in an average power factor of not less than 90% lagging.

Parallel operation must cease, immediately and automatically during system outages and other emergency or abnormal conditions specified by the Department. The Department shall require a demonstration of the proper operation of the automatic disconnection before the Facility may be connected to the Department's system. The Renewable Distributed Generation Facility must cease parallel operation upon notification by the Department if such operation is determined to be unsafe, to interfere with the supply of service to others, or to interfere with system operation or maintenance.

The Department may disconnect the Renewable Distributed Generation Facility from its system at any time that the Department 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 Renewable Distributed Generation Facility damages the Department's system, the customer shall be solely responsible for all costs associated with the repair and/or replacement of the damaged portion of the Department's system and/or equipment.

The Department 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 Renewable Distributed Generation 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 Department 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 Renewable Distributed Generation Facility.

The customer shall indemnify and hold harmless the Department, its commissioners, 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 Renewable Distributed Generation Facility, including the customer's failure to comply with the Department's Terms and Conditions or any abnormality or failure in the operation of the Facility, or any adverse impact to the Department's system or its other customers.

Termination: Failure of the Renewable Distributed Generation Facility to comply with any of the requirements set forth above may result in disconnection from the Department's system. The Department's Terms and Conditions in effect from

time to time where not inconsistent with any specific provisions above, are a part of this rate.

The customer may terminate service under this tariff by providing written notice to the Department. The Department reserves the right to discontinue paying credits for excess kWh at any time in its 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 Department in writing and submit a new application to be approved by the Department.

Payment Terms: The Department will read the meter at approximately 30-day intervals. Payment to the customer will first be applied to any outstanding bills. Credit balances will be applied to the following month's bill in accordance with the following section.

Credits: All credits earned by the customers during the calendar year must be used to offset charges during said calendar year. No credits from the previous calendar year shall be carried forward.

Transfer of Ownership: If ownership of property is changed in any way from the original owner indicated on the Net Metering Policy, said new owner must submit a new Net Metering Policy application and pay applicable fees.

Effective Date: February 1, 2016

Miscellaneous: The net metering policy may be subject to change by the Hull Municipal Light Board through a hearing process. An accurate copy of this net metering policy will be distributed to all applicants who must sign for receipt of said copy of policy.