

STANDARD RATE SCHEDULE

NMS

Net Metering Service

APPLICABLE

In all territory served by the Company on a trial basis for 36 months from the effective date of March 14, 2002.

AVAILABILITY OF SERVICE

Available to customers who own, operate and maintain a generation system located on customer's premises, that use as its total fuel source solar, wind or hydro energy, in parallel with the Company's electric system to provide all or part of their electrical requirements, and who execute the Company's written Net Metering Program Notification Form. The generation system shall be limited to a maximum capacity of 10 kilowatts for residential customers and 25 kilowatts for non-residential customers. This tariff will be made available on a pilot program basis to the first 25 customers who execute and submit a Net Metering Program Notification Form. To participate in the program, a customer shall begin service during the first two years of the trial.

NOTIFICATION

The customer shall submit a completed Net Metering Program Notification Form to the company at least 30 days prior to the date the customer intends to interconnect his generator to the company's facilities. Customer shall have all equipment necessary to complete the interconnection installed prior to such notification. The company shall have 30 days from the date of notification to determine whether the customer has satisfied the tariff requirements and shall notify customer. The date of notification shall be the third day following the mailing of the Net Metering Program Notification Form by customer. Customer may interconnect his generator thirty-one days after the date of notification, and begin operation unless the company provides notification of non-compliance to the tariff, prior to the 31st day.

METERING AND BILLING

Net Metering Service shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions. If electricity generated by the customer and fed back to the Company's system exceeds the electricity supplied to the customer from the system during a net metering period, the customer shall receive no compensation from the Company unless the customer has entered into a purchase power contract with the Company. If electricity generated by the customer and fed back to the system exceeds the electricity supplied to the customer from the system during any billing period, resulting in a Billing Period Credit, the customer shall be required to pay only the non-energy charges for that billing period. Any excess net generation by the customer shall be accumulated, carried forward and applied at the first opportunity to any billing periods having positive net consumption. Any accumulated Billing Period Credits remaining unused at the end of a net metering period shall be carried forward into the next net metering period only to the extent that such accumulated Billing Period Credits carried forward do not exceed the net metering customer's positive net consumption for the current net metering period. Net metering service shall be measured using a single meter or, as determined by the Company, additional meters.

LIABILITY INSURANCE

A customer with a generator with a rated capacity not exceeding 10 kilowatts shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least \$100,000 for the liability of the insured against loss arising out of the use of a generator, and for a generator with a rated capacity exceeding 10 kilowatts such coverage shall be in the amount of at least \$300,000.

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ADDITIONAL CONTROLS AND TESTS

The company may install additional controls or meters, or conduct additional tests as it may deem necessary.

NET METERING SERVICE INTERCONNECTION GUIDELINES

Customer shall operate their generating facilities in parallel with Company's system under the following conditions and any other conditions required by Company where unusual conditions arise not covered herein:

1. Customer to own, install, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as the Company's system voltage.
2. Customer will be responsible for operating generators and all facilities owned by customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of customer's control, safety, or other equipment.
4. The Company at, its discretion, may require a suitable lockable, company accessible, load breaking manual disconnect switch or similar equipment, as specified by Company, to be furnished by *customer* at a location designated by Company to enable the separation or disconnection of the two electrical systems. The load breaking manual disconnect switch must be accessible to the Company at all times.
5. Customer agrees to inform Company of any changes it wishes to make in its generating and/or associated facilities that is different from those initially installed and described to Company in writing and obtain prior approval from Company.
6. Company will have the right to inspect and approve customer's facilities, described herein, and conduct any tests necessary to determine that such facilities are installed and operating properly. However, the Company will have no obligation to inspect, witness tests or in any manner be responsible for customer's facilities or operation.
7. The customer assumes all responsibility for the electric service on the customer's premises at and from the point of delivery of electricity from the Company and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of electricity from the Company, occasioned by such electricity of said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

CANCELLED  
JUL - 1 2004

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAR 14 2002

Date of Issue: April 12, 2002

Issued By

Date Effective: March 14, 2002

Michael S. Beer, Vice President  
Louisville, Kentucky

Issued By Authority of K.P.S.C. Order dated 3/14/02 in Case No. 2001-00303

REGULATORY TO 807 KAR 5011.  
BY *Richard Hill*  
SECRETARY OF THE COMMISSION

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CONDITIONS OF INTERCONNECTION

A customer may begin operation of his generator on an interconnected basis when all of the following have been satisfied:

1. The customer has properly notified the company of his intent to interconnect by submission of the completed Net Metering Program Notification Form.
2. The net metering customer has installed a lockable, company accessible, load breaking manual disconnect switch, if required.
3. A licensed electrician has certified, by signing the Company Net Metering Program Notification Form, that any required manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
4. The vendor has certified, by signing the Company Net Metering Program Notification Form, that the generator being installed is in compliance with the requirements established by Underwriters Laboratories, or other national testing laboratories.
5. The customer has had the inverter settings inspected by the company, if the generator is a static inverter-connected generator with an alternating current capacity in excess of 10 kilowatts. The Company may impose a fee on the customer of no more than \$50 for such inspection.
6. For non-static inverter-connected generators, the customer has interconnected according to the Company's interconnection guidelines and the Company has inspected all protective equipment settings. The Company may impose a fee on the customer of no more than \$50 for such inspection.

DEFINITIONS

"Billing period" shall be the time period between the dates on which the Company issues the customer's bills.

"Billing Period Credit" shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer from the electric system during any billing period.

"Net metering period" shall be each successive 12-month period beginning with the first meter reading date following the date of final interconnection of the generator with the company's facilities.

RULES AND REGULATIONS

Except as provided herein, service will be provided under the Company's Rules and Regulations or Terms and Conditions.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE


MAR 14 2002

FOR QUANT TO 807 KAR 5011.  
SECTION 9 (1)

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Michael S. Beer, Vice President  
Louisville, Kentucky

BY   
SECRETARY OF THE COMMISSION

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Net Metering Program Notification Form

INTERCONNECTION NOTIFICATION

APPLICANT HEREBY GIVES NOTICE OF INTENT TO OPERATE A GENERATING FACILITY.

Section 1. Applicant Information

Name: \_\_\_\_\_  
Mail Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Facility Location (if different from above): \_\_\_\_\_  
Daytime Phone Number: \_\_\_\_\_  
LG&E Account Number : \_\_\_\_\_

Section 2. Generating Facility Information

Generator Type (check one): Solar \_\_\_\_\_, Wind \_\_\_\_\_, Hydro \_\_\_\_\_  
Generator Manufacturer, Model Name & Number: \_\_\_\_\_  
Power Rating in Kilowatts: AC: \_\_\_\_\_ DC: \_\_\_\_\_  
Inverter Manufacturer, Model Name & Number: \_\_\_\_\_  
Battery Backup? (yes or no) \_\_\_\_\_

Section 3. Installation Information

Installation Date: \_\_\_\_\_ Proposed Interconnection Date: \_\_\_\_\_

Section 4. Certifications

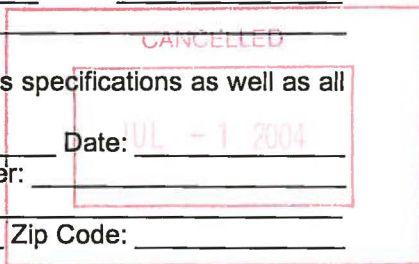
1. The system hardware is listed by Underwriters Laboratories to be in compliance with UL 1741:  
Signed (Vendor): \_\_\_\_\_ Date: \_\_\_\_\_  
Name (printed): \_\_\_\_\_ Company: \_\_\_\_\_  
Phone Number: \_\_\_\_\_

2. The system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.

Signed (Licensed Electrician): \_\_\_\_\_ Date: \_\_\_\_\_  
License Number: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Mail Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

3. Utility signature signifies only receipt of this form.

Signed (Utility Representative): \_\_\_\_\_  
Date: \_\_\_\_\_



I hereby certify that, to the best of my knowledge, all of the information provided in this Notice is true and correct.

Signature of Applicant \_\_\_\_\_

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