

August 1, 2023

Ms. Crystal Henwood  
Regulatory Affairs Officer/Clerk  
Nova Scotia Utility and Review Board  
1601 Lower Water Street, 3rd Floor  
P.O. Box 1692, Unit "M"  
Halifax, NS B3J 3S3

**Re: M10872 - Commercial Net Metering Program - Reply Submissions**

Dear Ms. Henwood:

Nova Scotia Power Inc. (NS Power, Company) filed the Commercial Net Metering Program (CNMP) Application<sup>1</sup> with the Nova Scotia Utility and Review Board (NSUARB, Board) on November 25, 2022. Information Requests (IRs) to NS Power were filed on January 13, 2023, by the NSUARB staff, Board Counsel Consultant Synapse, the Small Business Advocate (SBA), East Port Properties Limited (EPPL), Polycorp Properties Inc (Polycorp), and Solar Nova Scotia (SNS). NS Power filed its responses to the IRs on February 10, 2023<sup>2</sup>.

The NSUARB provided stakeholders the opportunity to provide evidence on February 24, 2023, with reply evidence from NS Power due March 24, 2023<sup>3</sup>. Synapse<sup>4</sup>, the SBA<sup>5</sup>, and SNS<sup>6</sup> submitted evidence. Closing submissions were filed by NS Power, EAC, SNS, Polycorp, SBA, NRR, CA, on April 6, 2023<sup>7</sup>. NS Power<sup>8</sup> and SNS<sup>9</sup> filed reply comments on April 14, 2023.

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<sup>1</sup> N-1, Application, November 25, 2022.

<sup>2</sup> N-4, NSPI (NSUARB) RIR-1 to RIR-31; N-8, NSPI (Synapse) RIR-1 to RIR-34; N-6 NSPI (SBA) RIR-1 to RIR-2, N-3, NSPI (EPPL) RIR-1 to RIR-27; N-5, NSPI (Polycorp) RIR-1 to RIR-20; N-7, NSPI (Solar NS) RIR-1 to RIR-10.

<sup>3</sup> N-12, Reply Evidence – NSPI, March 24, 2023.

<sup>4</sup> N-9, Evidence of T. Fitch, on behalf of BCC Synapse, February 24, 2023.

<sup>5</sup> N-10, Evidence of K. Pierce, on behalf of SBA, February 24, 2023.

<sup>6</sup> N-11, Evidence of Solar Nova Scotia, February 24, 2023.

<sup>7</sup> Closing Submission – NSPI, April 6, 2023; Closing Submission – EAC, April 6, 2023; Closing Submission – SNS, April 6, 2023; Closing Submission – Polycorp, April 6, 2023; Closing Submission – SBA, April 6, 2023; Closing Submission – NRR, April 6, 2023; Closing Submission – CA, April 6, 2023.

<sup>8</sup> Reply Comments- NSPI, April 14, 2023.

<sup>9</sup> Reply Comments – SNS, April 14, 2023.

The Board issued a Decision letter<sup>10</sup> on July 4, 2023.

NS Power filed its compliance filing<sup>11</sup> on July 18, 2023. Comments on the compliance filing were received by EPPL, Polycorp, the SBA, and SNS on July 25, 2023<sup>12</sup>. By letter on July 26, 2023, the Board provided a schedule for NS Power to reply to intervenor compliance filing submissions:

The Board directs any reply submissions from NS Power to be filed by Tuesday, August 1, 2023.<sup>13</sup>

The Company provides its reply to comments on the compliance decision raised by stakeholders below, but in doing so wishes to provide the general comment that a number of the concerns expressed in the filings are not appropriate issues to raise in a compliance filing, as they are effectively attempting to relitigate the Board's decision.

### **Small Business Advocate**

In its comments, the SBA raised one concern, which it expressed as follows:

The one concern that the SBA has with the process as set out by NSPI is the requirement for net metering participants to pay NSPI to register the RECs when the use of the attributes by NSPI in their accounting is likely to benefit NSPI and its customers in reaching their environmental targets. From the SBA's review of Section 37F of the Renewable Electricity Regulations pursuant to the Electricity Act, there is no requirement for a fee to be charged to net metering participants. As such, the SBA would recommend that the Board consider whether it is fair for net metering participants to be required to pay a fee while NSPI obtaining a benefit.

NS Power wishes to provide the following in response:

- Section 37C(1)(a) of the Renewable Electricity Regulations (RE Regs) specifically contemplates the imposition of program-related fees.
- NS Power is a cost of service utility and, in accordance with the Public Utilities Act, must be permitted an opportunity to recover its reasonable and prudent costs. If CNMP customers do not pay the cost of registering their RECs, then all other

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<sup>10</sup> Decision Letter, July 4, 2023.

<sup>11</sup> N-13, Compliance Filing, July 18, 2023.

<sup>12</sup> Comments – EPPL, July 25, 2023; Comments – Polycorp, July 25, 2023; Comments – SBA, July 25, 2023; Comments – Solar NS, July 25, 2023.

<sup>13</sup> Board email re. NSPI reply, July 26, 2023.

- customers must bear that cost.
- CNMP customers are being compensated for their energy at the retail, bundled service rate of electricity. This more than fairly compensates them for the energy they are providing. The registration of a REC, which is not mandatory, benefits no party other than the individual CNMP customer. There is no reason why other customers should be expected to pay the costs associated with the registration.

### **Solar Nova Scotia and EPPL**

#### **Section 2(a) – Total Export Capability vs. Nameplate Capacity**

In response to this issue raised by SNS, NS Power provides the following.

In respect to scenarios where the generation equipment “nameplate capacity” will differ from the “total export capability” (e.g. “limited export”), NS Power would consider the “total export capability” of the generation equipment to be the “nameplate capacity” for the purpose of CNMP participation. Where the generation equipment “total export capability” is less than the “nameplate capacity”, the means by which export is limited and controlled shall be indicated within the customers Interconnection Request (i.e. application) and will be subject to NS Power review and approval.

In respect to integration of battery energy storage, the export capability shall be considered for the purpose of Net Metering Service classification (Class 1 or 2) and study; however, is to be excluded from capacity for program availability.

This does not necessitate changes to the Participant Agreement.

#### **Registration of RECs**

In its comments, which were endorsed by EPPL, SNS provides the below:

It is of paramount importance that a system owner can engage a third party to register credits themselves, without NSPI’s involvement, if the system owner wishes to do so. RECs registered under such a method would be marketable by the system owner, and may be of some value.

Such an approach is not consistent with NS Power’s understanding of the intent of RE Regs, nor is it consistent with the revised and approved Section 7(e) of the Participant Agreement.

The SNS comments also claim that Sections 5 and 6(j) of the Participant Agreement run

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counter to the principle that the renewable attributes associated with the renewable energy certificates are owned by the CNMP customer. With regard to Section 5, Polycorp has raised similar concerns and NS Power will address them below; however, with regard to Section 6(j), it is clearly subject to Section 7, which includes the revised and approved Section 7(e) that firmly addresses this issue. NS Power does not view any further changes as being necessary.

**Polycorp Properties Inc.**

With regard to what Polycorp describes as the “confusion and ambiguity” between Sections 5 and 7(e) of the Participant Agreement, NS Power does not agree with the concern being raised.

CNMP customers are being compensated for the energy they are providing, including the environmental attributes. It is not NS Power’s understanding that the RE Regs are intended to provide an opportunity for customers to “monetize” these attributes. To the contrary, the RE Regs allow the environmental attributes to be returned to customers in the form of RECs, but at such point they are retired and, as such, cannot be monetized. The sale or monetization of the environmental attributes by customers would potentially hinder NS Power’s ability to count the total energy generated by the CNMP for its renewable electricity standards. This would be contrary to the revised and approved Section 7(e) of the Participant Agreement and Section 37F(4) of the RE Regs.

NS Power’s position on this matter is consistent with its Reply Comments, which stated: “The legislation makes it clear that it is the participant who owns the renewable attributes associated with the RECs.” In providing customers with RECs upon their request, NS Power is effectively returning the environmental attributes to customers; however, because the RECs are immediately retired, they cannot be monetized and will not hinder NS Power’s ability to count energy generated from the CNMP toward renewable electricity standards. Despite the fact that the RECs are retired and cannot be monetized, their existence can provide value to commercial customers with metrics, goals, and commitments related to reducing emissions from their operations.

**Additional Changes to the Participant Agreement**

As part of NS Power’s ongoing efforts with the procurement of a renewable energy certificate tracking system from an internationally recognized organization it has become apparent to NS Power that additional changes to the Participant Agreement will be required. A table is provided as Attachment 1 to set out and explain these changes. In addition, NS Power is providing, as Attachment 2, an redlined version of the compliance filing Participant Agreement that has these proposed changes identified, as well as a clean

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version of the Participant Agreement proposed for inclusion in the Board's order, provided as Attachment 3. NS Power recognizes that parties may wish to provide further comment on these additional changes.

Yours truly,



Blake Williams,  
Senior Director, Regulatory Affairs

**Commerical Net Metering Program Reply to Compliance Table Attachment 1 Page 1 of 2**

Section No.	Original Text in Compliance Filing of Participant Agreement	Proposed Revisionsto Compliance Filing of Participant Agreement	Justification and/or Rationale for Proposed Revisions
7 (a)	<p>Upon written request by the Customer to NSPI, and in accordance with this Section 7), NSPI will register all applicable Renewable Energy Certificates for the Customer on an annual basis with an internationally-recognized organization. NSPI may estimate the total energy output based on total installed generation equipment nameplate capacity. Any expense or cost reasonably incurred by NSPI pursuant to such request shall be for the account of the Customer and the Customer shall promptly reimburse NSPI for any such expenditure or incurred cost.</p>	<p>Upon written request by the Customer to NSPI, and in accordance with this Section 7), NSPI will register all applicable Renewable Energy Certificates for the Customer on an annual <u>or more frequent</u> basis with an internationally-recognized organization. <u>The output to be recorded for purposes of the Renewable Energy Certificate must be measured by NSPI-installed meters.</u> <del>NSPI may estimate the total energy output based on total installed generation equipment nameplate capacity.</del> Any expense or cost reasonably incurred by NSPI pursuant to such request shall be for the account of the Customer and the Customer shall promptly reimburse NSPI for any such expenditure or incurred cost.</p>	<ul style="list-style-type: none"> <li>• Frequency of registration is set by the REC registry organization. Frequency is typically monthly.</li> <li>• Estimation of generation output does not comply with REC registry requirements. Metered generation (net or gross) is required by tracking systems.</li> </ul>
7 (b)	<p>In its written request, the Customer shall identify the internationally-recognized organization with which the Renewable Energy Certificates are to be registered. Such a request by Customer shall be provided to NSPI by no later than January 31 of the year following the calendar year first being reported.</p>	<p><del>In</del> <u>Following</u> its written request, the Customer shall <u>grant NSPI the authority to manage the administration of Renewable Energy Certificates on its behalf. The registration and retirement of Renewable Energy Certificates will commence once the Customer’s Facility has been set up within the _____ internationally-recognized organization’s internal systems.</u> <del>identify the internationally-recognized _____ organization with which the Renewable Energy Certificates are to be registered. Such a request by Customer shall be provided to NSPI by no later than January 31 of the year following the calendar year first being reported.</del></p>	<ul style="list-style-type: none"> <li>• Deleted “identify the internationally-recognized organization [...]” because NS Power is in the process of awarding a contract to a single REC registry, which it requires to hold an account with to register RECs. It is generally considered to be a red flag to the REC market, and is considered a double-counting/origination and legitimacy risk for NS Power to register RECs with more than one tracking system. It would not be impossible for the customer to choose the other (there are only two options for this part of North America) vendor, but it is not best practice for any one person/organization to hold accounts and register RECs in more than one tracking system.</li> <li>• REC tracking systems require that the generator be registered in advance of generation upload (and ultimately REC issuance/retirement).</li> <li>• Since these assets are not owned by NSPI, in order to register the generation assets/generator and manage the asset (e.g. upload generation, register and retire RECs, etc.) NSPI needs customer permission (via a standardized form) that assigns rights within the tracking system for NSPI to conduct administrative processes (required to ultimately register and retire RECs) for customer owned assets and this assignment of rights must be at the point of registration of the generator/asset.</li> </ul>

**Commerical Net Metering Program Reply to Compliance Table Attachment 1 Page 2 of 2**

Section No.	Original Text in Compliance Filing of Participant Agreement	Proposed Revisions to Compliance Filing of Participant Agreement	Justification and/or Rationale for Proposed Revisions
			<ul style="list-style-type: none"> <li>• Generation cannot be uploaded (and therefore RECs cannot be registered) prior to a generation asset being registered in the system. Note that, once the asset is registered and accepted in the system, three-months of backdated generation is allowable (though not best practice).</li> </ul>
7 (d)	<p>Once the document described in subsection 7(c) is provided to the Customer, the Renewable Energy Certificate is considered retired. Once the document described in subsection 7(c) is provided to the Customer, the Renewable Energy Certificate is considered retired.</p>	<p><u>NSPI will immediately retire all Renewable Energy Certificates registered on the Customer's behalf with the internationally-recognized organization's tracking system.</u> Once the document described in subsection 7(c) is provided to the Customer, the Renewable Energy Certificate is <del>considered confirmed to be</del> retired. <del>Once the document described in subsection 7(c) is provided to the Customer, the Renewable Energy Certificate is considered retired.</del></p>	<ul style="list-style-type: none"> <li>• <u>A retirement is a specific transaction on the tracking system that is recorded and has a fee associated with it. As generation data is uploaded and RECs are registered, they should be retired immediately to avoid any confusion. The document provided to the customer will confirm these retirements were made.</u></li> <li>• The Compliance Filing PA repeated word-for-word the clause in 7(d), which is tracked as a change to correct the duplication.</li> </ul>

This **COMMERCIAL NET METERING PARTICIPANT AGREEMENT** made with effect as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, ("**Effective Date**").

**BETWEEN:**

\_\_\_\_\_  
(the "**Customer**")

-and-

**NOVA SCOTIA POWER INCORPORATED**, a body corporate  
("**NSPI**")

**WHEREAS:**

- A. The *Renewable Electricity Regulations* (N.S. Reg. 155/2010) made under the *Electricity Act* (S.N.S. 2004, c. 25) require that a standard-form agreement set forth the terms and conditions pursuant to a which a Customer shall participate in the Commercial Net Metering Program.
- B. The Customer has applied to participate in the Program.
- C. The parties agree that the Customer's participation in the Program will be governed by the terms and conditions contained herein.

**NOW THEREFORE** witnesses that in consideration of the promises and the mutual covenants and obligations herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1) **DEFINITIONS**

In this Agreement, including in the recitals above, the following terms have the following meanings:

- a) "**Commercial Net Metering Program**" or "**Program**" means NSPI's Commercial Net Metering Program as amended or replaced from time to time by NSPI in accordance with applicable Laws and the Rates and Regulations.
- b) "**Distribution System**" means NSPI's facilities that operate at a nominal voltage of 24,940 V or less, which are used to distribute electric power between substations and customer loads.
- c) "**Distribution Zone**" means all NSPI distribution feeders emanating from a single distribution supply transformer within a substation.
- d) "**Facility**" means the Customer's plant and equipment, including but not limited to, the generator, inverter, storage devices, and Interconnection Equipment located on the Customer's side of the Point of Delivery.
- e) "**Interconnection**" means the electrical connection of a generator in parallel with the Distribution System as defined herein.



- f) **“Interconnection Equipment”** means all equipment and functions used to interconnect a generator to the Distribution System.
- g) **“Interconnection Requirements”** means the interconnection requirements that are specified by the Program Terms and Conditions. The Interconnection requirements outline the technical requirements that are required to be met by the Customer to establish an Interconnection with the Distribution System.
- h) **“Islanding”** means the condition in which a portion of the Distribution System is energized by a Facility while a portion of the Distribution System is electrically separated from the rest of the Distribution System.
- i) **“Laws”** means any applicable federal, provincial, or local law, regulation, bylaw, ordinance, rule, permit, license or code of every relevant jurisdiction that in any manner affects the performance of obligations under these Terms and Conditions, and any order, decree, authorization or approval, or other binding determination of any relevant governmental authority, body, tribunal or agency with jurisdiction over the foregoing.
- j) **“Point of Delivery”** means the point where the Distribution System is connected to the Facility.
- k) **Point of Interconnection** shall mean the point where the Interconnection Facilities connect to the Distribution System.
- l) **“Premises”** means the property where the Facility is located, as identified in the Program application.
- m) **“Program Terms and Conditions”** means the Terms and Conditions for NSPI’s Commercial Net Metering Program, as approved by the NSUARB.
- n) **“Rates and Regulations”** means NSPI’s rates and regulations as may be approved by the Nova Scotia Utility and Review Board from time to time.
- o) **“Renewable Energy Certificate”** means a certificate that represents the environmental attributes of one megawatt-hour of electricity generated by a renewable energy source.
- p) **“Standard Protection Code”** means NSPI’s systematic and coordinated approach to work planning which is utilized to enhance personal safety and the protection of the Distribution System and ancillary equipment against damage.
- q) **“NSUARB”** refers to the Nova Scotia Utility and Review Board.

2) 2. **FACILITY**

a) The particulars of the Facility, as defined herein, are as follows:

Generation Equipment Manufacturer (Inverter/Module)		
Generation Equipment Model (Inverter/Module)		
Energy or source type (e.g. hydro, photovoltaic, wind)		
Generation Equipment Nameplate Capacity rating	kW/AC	kW/DC
Electric energy storage capability (YES/NO, if YES - describe)		
Point of Delivery		
Address of Generator		
Plans Review ID Number		

The location of the generator is outlined in the site plan attached hereto as Schedule “A”. The single line diagram is attached hereto as Schedule “B”.

- b) The Customer must own the Premises or otherwise hold valid legal rights that entitle the Customer to install and operate the Facility on the Premises.
- c) The Customer shall notify NSPI if it transfers ownership or leasehold of the Premises and advise if it wishes to (i) continue its participation in the Program, notwithstanding its transfer such property rights, (ii) transfer its participation in the Program to a new owner or lessor of the Premises, or (iii) terminate its participation in the Program in accordance with Section 10). NSPI shall, in a timely manner, advise the Customer and/or the new owner, as applicable, of any additional steps required to effect the continuation, transfer, or termination of participation in the Program. Accordingly, this Agreement may not be assigned by the Customer without the written consent of NSPI and in no event may the Agreement be assigned to a party other than a successor in title to Customer’s Premises and Facility.

3) **CUSTOMER COVENANTS**

- a) The Customer warrants, covenants and agrees as follows:
  - i) the Facility will be operated in accordance with the Interconnection Requirements;
  - ii) the Facility and all ancillary equipment will be approved by the Canadian Safety Association (“CSA”), or by an agency which is acceptable to NSPI, in its sole discretion;
  - iii) the Facility and all ancillary equipment, will be installed, operated, and maintained in accordance with all applicable national, provincial, and municipal electrical construction and safety codes, including, without limitation, the Canadian Electrical Code (including Parts I and II concerning product standards) and the *Electrical Installation and Inspection Act* (R.S.N.S 1989, c. 141);

- iv) the Customer will comply with applicable federal, provincial and municipal statutes, regulations and bylaws pertaining to the Facility;
- v) the Customer will obtain all requisite approvals for the installation and operation of the Facility; and
- vi) the Customer has been advised that there are no synchronization schemes in place on NSPI's facilities, and that the upstream Distribution System contains automatic equipment that will provide for voltage regulation and automatic reclosing as part of normal operation.

4) **OPERATION OF THE FACILITY**

- a) Once interconnected, the Customer shall construct, interconnect, and operate its Facility in accordance with all applicable rules, regulations, codes and laws, including without limitation, the Interconnection Requirements, the Rates and Regulations, as may be amended from time to time, any instructions provided by the Facility's manufacturer, and all applicable national, provincial, and municipal electrical construction and safety codes, including the Canadian Electrical Code (including Parts I and II concerning product standards) and the *Electrical Installation and Inspection Act* (R.S.N.S. 1989, c. 141). For clarity, Nova Scotia Power Regulation 3.6 ("Net Metering Service") is not applicable to the Commercial Net Metering Program. The Customer will not expand or alter the Facility in any manner without receiving NSPI's prior written consent.
- b) The Customer's Facility must be a "renewable low-impact electricity generation facility", within the meaning of the *Renewable Electricity Regulations* (N.S. Reg. 155/2010).
- c) The Customer and NSPI shall operate the Facility and the Distribution System respectively, in accordance with good utility practice, in a manner which places the utmost importance on the safety of the public and each party's agents and employees.
- d) NSPI shall perform any reviews and inspections that it is required to perform on the Facility.
- e) The Customer is not required to give NSPI notice prior to starting or stopping the Facility, with the exception of the initial start-up, which shall be subject to NSPI having inspected and approved the Facility and the Interconnection.
- f) Islanding of the Facility with any portion of the Distribution System is not permitted under any circumstances.
- g) NSPI reserves the right, at its option, to inspect the Facility at any time.
- h) **Outages:** From time to time, the applicable distribution feeder may experience outages. NSPI shall use good utility practice to minimize such occurrences. To the extent reasonably possible, NSPI will provide the Customer with advance notice that interruption or reduction of the Facility's output shall be required in order to permit NSPI to construct, install, maintain, repair or inspect any part of its Distribution System.
- i) **Interruption:** NSPI may curtail, interrupt, or reduce the Facility's electrical output, without prior notice, whenever NSPI determines that it is necessary to do so. Such curtailment may be

necessary in cases of emergencies, forced outages, safety hazards or in order to comply with good utility practice. NSPI will make reasonable attempts to notify customers of a curtailment, interruption, or reduction in advance of any planned construction, installation, maintenance, repairs, or inspections of any part of its Distribution System.

- j) **No Compensation:** The Customer agrees that the Customer is not entitled to any compensation or damages, direct or indirect, loss, prospective profits, economic loss or incidental or consequential damages as a result of the Facility's output being curtailed, interrupted or reduced pursuant to Sections 4)h) or 4)i).
- k) **Access:** The Customer hereby grants NSPI access over and across the Premises for the purpose of maintaining, operating, inspecting, meter reading, or disconnecting the Facility or the Interconnection Equipment, as the case may be, without prior notice to the Customer, provided that such entry is made, except in cases of emergency, during reasonable hours. Nothing herein limits or otherwise affects any other right of entry which NSPI may have pursuant to its Rates and Regulations or at law.
- l) Without derogation from the Interconnection Requirements and any Distribution Generator Interconnection Agreement between NSPI and the Customer (if applicable):
  - i) net energy metering shall be accomplished using a single meter that is capable of registering the flow of electricity in two directions and that is approved by Measurement Canada;
  - ii) if NSPI determines that the flow of electricity in both directions cannot be reliably or safely determined through use of a single meter, NSPI may require that additional meters be installed;
  - iii) the Customer is responsible for all capital costs of all equipment on the generator side of the point of interconnection between the Customer's Facility and the Distribution System.
  - iv) if upgrades or revisions are required to existing NSPI systems to accommodate the addition of Customer's Facility, the Customer shall pay the actual cost of the installation or changes. The Customer shall pay a capital contribution for any required line extensions necessary to extend the NSPI system to the Facility.
  - v) If upgrades or revisions are required to existing NSPI systems to accommodate the addition of a customer owned generator located in the same Distribution Zone as the Customer's Facility, but not at the same Premise as the Customer Facility, the Customer shall pay the actual cost of the installation or changes. The Customer shall pay a capital contribution for any required line extensions necessary to extend the NSPI system to the generator, and the Customer shall be responsible for all maintenance, repair and replacement costs for the dedicated portion of this supply.
  - vi) NSPI will perform and manage the maintenance of any such NSPI-owned facilities that are constructed to interconnect the Customer's Facility.
- m) If Customer is materially non-compliant with its obligations and warranties pursuant to Section 3) or this Section 4), or if the Customer does not receive all requisite approvals for the installation

and operation of the Facility, then NSPI may disconnect the Facility immediately as outlined in Section 8 (“Suspension of Interconnection”).

5) **PURCHASE AND SALE OF ENERGY**

- a) Subject to, and in accordance with, the terms and conditions of this Agreement, the Customer shall sell and deliver to NSPI, and NSPI shall purchase and take delivery at the Delivery Point, the electrical energy delivered to the Distribution System by the Customer’s Facility, including the environmental attributes associated with its manner of generation. Such electrical energy and the associated attributes shall be sold and delivered by the Customer to NSPI free of any liens, encumbrances or adverse claims.
- b) The sole consideration to be paid by NSPI to the Customer for the electrical energy sold and purchased pursuant to Section 5)a) will be the Banked Energy Credits, as provided for, and in accordance with, Section 6).

6) **BILLING AND TREATMENT OF BANKED ENERGY CREDITS**

- a) The Anniversary Date shall be 1 January of any given year.
- b) Customers will be billed for electricity supplied by NSPI under their applicable metered rate tariff.
- c) If in a given billing period, the electricity, in kWh, supplied to the Distribution System by the Facility exceeds that supplied to the Customer by NSPI, in kWh, the Customer shall be billed only for the applicable non-kWh monthly charges and the excess self-generated electricity, in kWh, will be “banked” as energy credits, in kWh, to be applied against future bills over a period up to, and ending upon, the Anniversary Date (“**Banked Energy Credits**”).
- d) If, in a given billing period, the combined total of the electricity supplied to the Distribution System by the Customer-generator and the Banked Energy Credits from the previous billing periods is less than the electricity supplied to the Customer by NSPI, NSPI will bill the Customer for the “Net Purchased Electricity Requirement and for the applicable non-kWh monthly charges. “Net Purchased Energy Requirement” is calculated as follows:

$$\text{Net Purchased Energy Requirement} = \text{Purchased energy from NSPI} - (\text{Self-generation supplied to NSPI} + \text{Banked Energy Credits})$$

- e) Banked Energy Credits held by the Customer and will remain valid until the earlier of the Anniversary Date or the date upon which service is discontinued, at which time the Banked Energy Credit will be applied towards the Customer’s billed energy (kWh) within the same calendar year and applied to the customer’s account in the form of a bill credit. The value of this credit shall not exceed the amount the customer would have paid for any billed energy within the same calendar year.
- f) Any Banked Energy Credits held by the Customer upon the Anniversary Date or upon the discontinuation of service in excess of the Customer’s billed energy will be forfeited by the Customer and set to zero.

- g) If the Customer is served pursuant to a domestic time-of-day service account, NSPI will measure and record Banked Energy Credits in relation to the applicable time-of-use periods for billing purposes and crediting purposes. Banked Energy Credits held by such a Customer upon reaching the Anniversary Date or upon discontinuing service will be applied towards the Customer's aggregate billed energy (kWh) within the applicable calendar year and applied to the Customer's account in the form of a bill credit. The value of this credit shall not exceed the amount the Customer would have paid for any billed energy within the same calendar year.
- h) Banked Energy Credit balances on a Customer's account will have no cash value other than as described in this Section 6) and will not be convertible to cash or equivalents.
- i) If a Customer is billed under more than one electric account connected to the same Distribution Zone as the Facility, the Customer will propose a method to apportion its surplus generation against its consumption under multiple accounts for billing purposes. The Customer will either designate the order in which the apportionment of surplus generation is to be applied to individual accounts or nominate the fraction of surplus generation to be apportioned to each account or choose a combination of both approaches. If a Customer subscribes to more than one net metering applications within the same Distribution Zone, each account will have only one Facility assigned to it for billing purposes. The proposed method of surplus allocation and the account assignment to generating facilities will be approved upon the Customer's enrollment in the Program and will stay in effect until such a time when Customer submits a written request for change. NSPI may, at its sole discretion, approve such changes provided they remain in place for at least a calendar year.
- j) Subject to Section 7) ("Renewable Energy Certificates"), any environmental credits that may be created through the generation of energy through Net Metering will be held by NSPI.

## 7) RENEWABLE ENERGY CERTIFICATES

- a) Upon written request by the Customer to NSPI, and in accordance with this Section 7), NSPI will register all applicable Renewable Energy Certificates for the Customer on an annual or more frequent basis with an internationally-recognized organization. The output to be recorded for purposes of the Renewable Energy Certificate must be measured by NSPI-installed meters. ~~NSPI may estimate the total energy output based on total installed generation equipment nameplate capacity.~~ Any expense or cost reasonably incurred by NSPI pursuant to such request shall be for the account of the Customer and the Customer shall promptly reimburse NSPI for any such expenditure or incurred cost.
- b) ~~Following~~ its written request, the Customer shall grant NSPI the authority to manage the administration of Renewable Energy Certificates on its behalf. The registration and retirement of Renewable Energy Certificates will commence once the Customer's Facility has been set up within the internationally-recognized organization's internal systems ~~identify the internationally-recognized organization with which the Renewable Energy Certificates are to be registered. Such a request by Customer shall be provided to NSPI by no later than January 31 of the year following the calendar year first being reported.~~

- c) Upon request by the Customer, NSPI will provide a document annually no later than March 31 of the year following the calendar year being reported on to the Customer confirming the Customer-specific Renewable Energy Certificates registration that includes the following:
  - i) the annual volume of Renewable Energy Certificates;
  - ii) Customer identification number; and
  - iii) Vintage.
- d) NSPI will immediately retire all Renewable Energy Certificates registered on the Customer's behalf with the internationally-recognized organization's tracking system. Once the document described in subsection 7)c) is provided to the Customer, the Renewable Energy Certificate is considered confirmed to be retired. ~~Once the document described in subsection 7)c) is provided to the Customer, the Renewable Energy Certificate is considered retired.~~
- e) The parties agree that the total electrical energy output of the Customer's Facility while the Customer is a participant in the Program, whether delivered to NSPI or self-supplied to the Customer, shall be counted by NSPI toward its compliance with the renewable portfolio standard requirements set forth in the *Renewable Electricity Regulations* (N.S. Reg. 155/2010), and the Customer shall take no actions to utilize or take credit for the Facility's environmental attributes in a manner that could hinder NSPI from doing so.

#### 8) SUSPENSION OF INTERCONNECTION

- a) If the Customer's Facility is not operating in accordance with the Interconnection Requirements (including a Distribution Generator Interconnection Agreement, if applicable), any Laws, the Program Terms and Conditions, this Agreement, or any statutory requirements as may be amended from time to time, NSPI may disconnect the Customer's Facility until the Facility is, in NSPI's sole opinion acting reasonably, found to be in compliance with such requirements.
- b) If, in the event of non-compliance, NSPI does not disconnect the Facility, then NSPI will provide written notice of default. If the default is not cured within 30 days, then NSPI may terminate this Agreement and the Customer's participation in the Program in accordance with section 8, Term and Termination.
- c) NSPI may disconnect the Facility from the Distribution System without prior notice if the operation of the Facility is or may become in NSPI's sole discretion a threat to personal safety, the safety of the general public, or the integrity of the Distribution System.

#### 9) INDEMNITY AND RISK OF LOSS

- a) NSPI shall not be liable for any loss, damage, or injury, including but not limited to death, relating to this Agreement or the operation of the Facility except to the extent that such loss, damage, or injury may be attributed to the negligence or willful misconduct of NSPI.
- b) The Customer shall assume all risk of loss, damage or injury, including death, to person or property, to the extent caused by its directors, officers, employees, sub-suppliers, agents or representatives in connection with the Facility, and agrees not to make or bring any claim, action

or demand against NSPI or its directors, officers, servants, agents, or employees in respect of such loss, damage or injury arising out of or in any way attributable to the operation of this Agreement excepting such loss, damage or injury caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

- c) For the purposes of this Section 9) "**Claims**" shall mean any liabilities, losses, expenses (including legal costs), claims, demands, actions and causes of action, whether based upon breach of contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and/or strict liability.
- d) The Customer agrees to indemnify and save harmless NSPI, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any Claims whatsoever suffered by NSPI by reason of, or arising out of, or any way attributable to this Agreement or ancillary to the Customer's operation of the Facility contemplated herein excepting only to the extent caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.
- e) The provisions set forth in this Section 9) shall apply and be effective with respect to any claim, cause of action, or legal theory whatsoever including without limitation, Claims based upon breach of contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and strict liability.

#### 10) **TERM AND TERMINATION**

- a) This Agreement is effective as of the Effective Date and shall remain in effect until terminated. This Agreement may be terminated by either party upon providing 30 days prior written notice to the other party. This Agreement may be terminated by NSPI upon the Customer being in default of its obligations as outlined in Section 7). NSPI will provide notice of default to the Customer. If such default is not cured within 30 days following notice of the default having been provided to the Customer, this Agreement shall terminate without further notice to the Customer.
- b) Notwithstanding any provision in this Agreement, NSPI may terminate this Agreement effective immediately upon written notice to the Customer upon the happening of any one or more of the following:
  - i) the Customer's electrical service is disconnected, regardless of whether such disconnection is at the request of the Customer or in accordance with NSPI's Rates and Regulations.
  - ii) In the event NSPI's metering indicates that the Customer's Facility has not generated electricity for a period of 12 calendar months.

#### 11) **DISPUTE RESOLUTION**

- a) In the event of a dispute in connection with this Agreement the Customer and a senior officer of NSPI shall promptly meet to discuss and resolve the dispute and the parties shall have 10 days to resolve the dispute (or five days if either party notifies the other party that the matter requires urgent resolution).



- b) If resolution cannot be achieved, then such dispute or difference may be referred by either party to binding arbitration under the provisions of the *Commercial Arbitration Act* (Nova Scotia).
- c) Unless otherwise requested by Customer, there shall be no stoppage in the provision of net metering services during the dispute resolution process.

## 12) NOTIFICATIONS

- a) All notices to be given to either party under this Agreement shall be written and addressed to NSPI and to the Customer as follows:

Nova Scotia Power Incorporated  
Attention: Legal Services  
PO Box 910  
Halifax, NS B3J 2W5  
Facsimile: (902) 428-6171

To the Customer:

Attention:  
Telephone Number:  
Email Address:

- b) All notices may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notice shall be given when received by the addressee on a business day. In the absence of proof of the actual receipt date, the following presumptions will apply:
  - i) Notices sent by facsimile shall be presumed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a business day or is after five p.m. (Nova Scotia prevailing time) on a business day, then such facsimile shall be deemed to have been received on the next following business day;
  - ii) Notice by overnight courier shall be presumed to have been received on the next business day after it was sent; and
  - iii) Notice by first class mail shall be presumed delivered five business days after mailing.
- c) Either party may modify its address for notices by advance written notice to the other party.

## 13) MISCELLANEOUS

- a) The Program Terms and Conditions are hereby incorporated by reference into, and form part of, this Agreement.
- b) This Agreement does not supersede the requirements outlined in any applicable Rates and Regulations as approved by the NSUARB from time to time, or legislation, including but not limited to the *Public Utilities Act*, the *Canadian Electrical Code*, the *Occupational Health and Safety Act*.

- c) This Agreement shall only be renewed with the written consent of both parties.
- d) The insertion of headings in this Agreement is for convenience only and shall not be construed so as to affect the interpretation or construction of this Agreement.
- e) The recitals and schedules are hereby incorporated into this Agreement.
- f) This Agreement is to be read with all changes in gender and number as required by the context.
- g) This Agreement shall be deemed to have been made in and shall be governed by, construed and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada, as applicable therein.
- h) No consent or waiver, express or implied, by any party to this Agreement of any breach or default by any other party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance.
- i) This Agreement is the entire agreement between the parties with respect to the subject matter hereto and shall not be modified, varied or amended except by an instrument in writing signed by the parties.
- j) Should any provision of the Agreement be declared by a judicial or other competent authority to be unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.
- k) The parties agree that this Agreement and all related documents shall be in English.
- l) This Agreement may be executed by the parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without limitation, by email or facsimile transmission, of any signed original of this Agreement shall be the same as the delivery of an original.

**IN WITNESS THEREOF**, the Parties have duly executed this Agreement, in duplicate, as of the date set forth above.

**NOVA SCOTIA POWER INCORPORATED**

Per: \_\_\_\_\_

Name:

Title:

**CUSTOMER**

Per: \_\_\_\_\_

Name:

**SCHEDULE "A"**  
**SITE PLAN**

**SCHEDULE "B"**  
**SINGLE LINE DIAGRAM**

This **COMMERCIAL NET METERING PARTICIPANT AGREEMENT** made with effect as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, ("**Effective Date**").

**BETWEEN:**

\_\_\_\_\_  
(the "**Customer**")

-and-

**NOVA SCOTIA POWER INCORPORATED**, a body corporate  
("**NSPI**")

**WHEREAS:**

- A. The *Renewable Electricity Regulations* (N.S. Reg. 155/2010) made under the *Electricity Act* (S.N.S. 2004, c. 25) require that a standard-form agreement set forth the terms and conditions pursuant to which a Customer shall participate in the Commercial Net Metering Program.
- B. The Customer has applied to participate in the Program.
- C. The parties agree that the Customer's participation in the Program will be governed by the terms and conditions contained herein.

**NOW THEREFORE** witnesses that in consideration of the promises and the mutual covenants and obligations herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1) **DEFINITIONS**

In this Agreement, including in the recitals above, the following terms have the following meanings:

- a) "**Commercial Net Metering Program**" or "**Program**" means NSPI's Commercial Net Metering Program as amended or replaced from time to time by NSPI in accordance with applicable Laws and the Rates and Regulations.
- b) "**Distribution System**" means NSPI's facilities that operate at a nominal voltage of 24,940 V or less, which are used to distribute electric power between substations and customer loads.
- c) "**Distribution Zone**" means all NSPI distribution feeders emanating from a single distribution supply transformer within a substation.
- d) "**Facility**" means the Customer's plant and equipment, including but not limited to, the generator, inverter, storage devices, and Interconnection Equipment located on the Customer's side of the Point of Delivery.
- e) "**Interconnection**" means the electrical connection of a generator in parallel with the Distribution System as defined herein.

- f) **“Interconnection Equipment”** means all equipment and functions used to interconnect a generator to the Distribution System.
- g) **“Interconnection Requirements”** means the interconnection requirements that are specified by the Program Terms and Conditions. The Interconnection requirements outline the technical requirements that are required to be met by the Customer to establish an Interconnection with the Distribution System.
- h) **“Islanding”** means the condition in which a portion of the Distribution System is energized by a Facility while a portion of the Distribution System is electrically separated from the rest of the Distribution System.
- i) **“Laws”** means any applicable federal, provincial, or local law, regulation, bylaw, ordinance, rule, permit, license or code of every relevant jurisdiction that in any manner affects the performance of obligations under these Terms and Conditions, and any order, decree, authorization or approval, or other binding determination of any relevant governmental authority, body, tribunal or agency with jurisdiction over the foregoing.
- j) **“Point of Delivery”** means the point where the Distribution System is connected to the Facility.
- k) **Point of Interconnection** shall mean the point where the Interconnection Facilities connect to the Distribution System.
- l) **“Premises”** means the property where the Facility is located, as identified in the Program application.
- m) **“Program Terms and Conditions”** means the Terms and Conditions for NSPI’s Commercial Net Metering Program, as approved by the NSUARB.
- n) **“Rates and Regulations”** means NSPI’s rates and regulations as may be approved by the Nova Scotia Utility and Review Board from time to time.
- o) **“Renewable Energy Certificate”** means a certificate that represents the environmental attributes of one megawatt-hour of electricity generated by a renewable energy source.
- p) **“Standard Protection Code”** means NSPI’s systematic and coordinated approach to work planning which is utilized to enhance personal safety and the protection of the Distribution System and ancillary equipment against damage.
- q) **“NSUARB”** refers to the Nova Scotia Utility and Review Board.

2) 2. **FACILITY**

a) The particulars of the Facility, as defined herein, are as follows:

Generation Equipment Manufacturer (Inverter/Module)		
Generation Equipment Model (Inverter/Module)		
Energy or source type (e.g. hydro, photovoltaic, wind)		
Generation Equipment Nameplate Capacity	kW/AC	kW/DC
Electric energy storage capability (YES/NO, if YES - describe)		
Point of Delivery		
Address of Generator		
Plans Review ID Number		

The location of the generator is outlined in the site plan attached hereto as Schedule “A”. The single line diagram is attached hereto as Schedule “B”.

- b) The Customer must own the Premises or otherwise hold valid legal rights that entitle the Customer to install and operate the Facility on the Premises.
- c) The Customer shall notify NSPI if it transfers ownership or leasehold of the Premises and advise if it wishes to (i) continue its participation in the Program, notwithstanding its transfer such property rights, (ii) transfer its participation in the Program to a new owner or lessor of the Premises, or (iii) terminate its participation in the Program in accordance with Section 10). NSPI shall, in a timely manner, advise the Customer and/or the new owner, as applicable, of any additional steps required to effect the continuation, transfer, or termination of participation in the Program. Accordingly, this Agreement may not be assigned by the Customer without the written consent of NSPI and in no event may the Agreement be assigned to a party other than a successor in title to Customer’s Premises and Facility.

3) **CUSTOMER COVENANTS**

- a) The Customer warrants, covenants and agrees as follows:
  - i) the Facility will be operated in accordance with the Interconnection Requirements;
  - ii) the Facility and all ancillary equipment will be approved by the Canadian Safety Association (“CSA”), or by an agency which is acceptable to NSPI, in its sole discretion;
  - iii) the Facility and all ancillary equipment, will be installed, operated, and maintained in accordance with all applicable national, provincial, and municipal electrical construction and safety codes, including, without limitation, the Canadian Electrical Code (including Parts I and II concerning product standards) and the *Electrical Installation and Inspection Act* (R.S.N.S 1989, c. 141);



- iv) the Customer will comply with applicable federal, provincial and municipal statutes, regulations and bylaws pertaining to the Facility;
- v) the Customer will obtain all requisite approvals for the installation and operation of the Facility; and
- vi) the Customer has been advised that there are no synchronization schemes in place on NSPI's facilities, and that the upstream Distribution System contains automatic equipment that will provide for voltage regulation and automatic reclosing as part of normal operation.

4) **OPERATION OF THE FACILITY**

- a) Once interconnected, the Customer shall construct, interconnect, and operate its Facility in accordance with all applicable rules, regulations, codes and laws, including without limitation, the Interconnection Requirements, the Rates and Regulations, as may be amended from time to time, any instructions provided by the Facility's manufacturer, and all applicable national, provincial, and municipal electrical construction and safety codes, including the Canadian Electrical Code (including Parts I and II concerning product standards) and the *Electrical Installation and Inspection Act* (R.S.N.S. 1989, c. 141). For clarity, Nova Scotia Power Regulation 3.6 ("Net Metering Service") is not applicable to the Commercial Net Metering Program. The Customer will not expand or alter the Facility in any manner without receiving NSPI's prior written consent.
- b) The Customer's Facility must be a "renewable low-impact electricity generation facility", within the meaning of the *Renewable Electricity Regulations* (N.S. Reg. 155/2010).
- c) The Customer and NSPI shall operate the Facility and the Distribution System respectively, in accordance with good utility practice, in a manner which places the utmost importance on the safety of the public and each party's agents and employees.
- d) NSPI shall perform any reviews and inspections that it is required to perform on the Facility.
- e) The Customer is not required to give NSPI notice prior to starting or stopping the Facility, with the exception of the initial start-up, which shall be subject to NSPI having inspected and approved the Facility and the Interconnection.
- f) Islanding of the Facility with any portion of the Distribution System is not permitted under any circumstances.
- g) NSPI reserves the right, at its option, to inspect the Facility at any time.
- h) **Outages:** From time to time, the applicable distribution feeder may experience outages. NSPI shall use good utility practice to minimize such occurrences. To the extent reasonably possible, NSPI will provide the Customer with advance notice that interruption or reduction of the Facility's output shall be required in order to permit NSPI to construct, install, maintain, repair or inspect any part of its Distribution System.
- i) **Interruption:** NSPI may curtail, interrupt, or reduce the Facility's electrical output, without prior notice, whenever NSPI determines that it is necessary to do so. Such curtailment may be

necessary in cases of emergencies, forced outages, safety hazards or in order to comply with good utility practice. NSPI will make reasonable attempts to notify customers of a curtailment, interruption, or reduction in advance of any planned construction, installation, maintenance, repairs, or inspections of any part of its Distribution System.

- j) **No Compensation:** The Customer agrees that the Customer is not entitled to any compensation or damages, direct or indirect, loss, prospective profits, economic loss or incidental or consequential damages as a result of the Facility's output being curtailed, interrupted or reduced pursuant to Sections 4)h) or 4)i).
- k) **Access:** The Customer hereby grants NSPI access over and across the Premises for the purpose of maintaining, operating, inspecting, meter reading, or disconnecting the Facility or the Interconnection Equipment, as the case may be, without prior notice to the Customer, provided that such entry is made, except in cases of emergency, during reasonable hours. Nothing herein limits or otherwise affects any other right of entry which NSPI may have pursuant to its Rates and Regulations or at law.
- l) Without derogation from the Interconnection Requirements and any Distribution Generator Interconnection Agreement between NSPI and the Customer (if applicable):
  - i) net energy metering shall be accomplished using a single meter that is capable of registering the flow of electricity in two directions and that is approved by Measurement Canada;
  - ii) if NSPI determines that the flow of electricity in both directions cannot be reliably or safely determined through use of a single meter, NSPI may require that additional meters be installed;
  - iii) the Customer is responsible for all capital costs of all equipment on the generator side of the point of interconnection between the Customer's Facility and the Distribution System.
  - iv) if upgrades or revisions are required to existing NSPI systems to accommodate the addition of Customer's Facility, the Customer shall pay the actual cost of the installation or changes. The Customer shall pay a capital contribution for any required line extensions necessary to extend the NSPI system to the Facility.
  - v) If upgrades or revisions are required to existing NSPI systems to accommodate the addition of a customer owned generator located in the same Distribution Zone as the Customer's Facility, but not at the same Premise as the Customer Facility, the Customer shall pay the actual cost of the installation or changes. The Customer shall pay a capital contribution for any required line extensions necessary to extend the NSPI system to the generator, and the Customer shall be responsible for all maintenance, repair and replacement costs for the dedicated portion of this supply.
  - vi) NSPI will perform and manage the maintenance of any such NSPI-owned facilities that are constructed to interconnect the Customer's Facility.
- m) If Customer is materially non-compliant with its obligations and warranties pursuant to Section 3) or this Section 4), or if the Customer does not receive all requisite approvals for the installation

and operation of the Facility, then NSPI may disconnect the Facility immediately as outlined in Section 8) ("Suspension of Interconnection").

5) **PURCHASE AND SALE OF ENERGY**

- a) Subject to, and in accordance with, the terms and conditions of this Agreement, the Customer shall sell and deliver to NSPI, and NSPI shall purchase and take delivery at the Delivery Point, the electrical energy delivered to the Distribution System by the Customer's Facility, including the environmental attributes associated with its manner of generation. Such electrical energy and the associated attributes shall be sold and delivered by the Customer to NSPI free of any liens, encumbrances or adverse claims.
- b) The sole consideration to be paid by NSPI to the Customer for the electrical energy sold and purchased pursuant to Section 5)a) will be the Banked Energy Credits, as provided for, and in accordance with, Section 6).

6) **BILLING AND TREATMENT OF BANKED ENERGY CREDITS**

- a) The Anniversary Date shall be 1 January of any given year.
- b) Customers will be billed for electricity supplied by NSPI under their applicable metered rate tariff.
- c) If in a given billing period, the electricity, in kWh, supplied to the Distribution System by the Facility exceeds that supplied to the Customer by NSPI, in kWh, the Customer shall be billed only for the applicable non-kWh monthly charges and the excess self-generated electricity, in kWh, will be "banked" as energy credits, in kWh, to be applied against future bills over a period up to, and ending upon, the Anniversary Date ("**Banked Energy Credits**").
- d) If, in a given billing period, the combined total of the electricity supplied to the Distribution System by the Customer-generator and the Banked Energy Credits from the previous billing periods is less than the electricity supplied to the Customer by NSPI, NSPI will bill the Customer for the "Net Purchased Electricity Requirement and for the applicable non-kWh monthly charges. "Net Purchased Energy Requirement" is calculated as follows:

$$\text{Net Purchased Energy Requirement} = \text{Purchased energy from NSPI} - (\text{Self-generation supplied to NSPI} + \text{Banked Energy Credits})$$

- e) Banked Energy Credits held by the Customer and will remain valid until the earlier of the Anniversary Date or the date upon which service is discontinued, at which time the Banked Energy Credit will be applied towards the Customer's billed energy (kWh) within the same calendar year and applied to the customer's account in the form of a bill credit. The value of this credit shall not exceed the amount the customer would have paid for any billed energy within the same calendar year.
- f) Any Banked Energy Credits held by the Customer upon the Anniversary Date or upon the discontinuation of service in excess of the Customer's billed energy will be forfeited by the Customer and set to zero.

- g) If the Customer is served pursuant to a domestic time-of-day service account, NSPI will measure and record Banked Energy Credits in relation to the applicable time-of-use periods for billing purposes and crediting purposes. Banked Energy Credits held by such a Customer upon reaching the Anniversary Date or upon discontinuing service will be applied towards the Customer's aggregate billed energy (kWh) within the applicable calendar year and applied to the Customer's account in the form of a bill credit. The value of this credit shall not exceed the amount the Customer would have paid for any billed energy within the same calendar year.
- h) Banked Energy Credit balances on a Customer's account will have no cash value other than as described in this Section 6) and will not be convertible to cash or equivalents.
- i) If a Customer is billed under more than one electric account connected to the same Distribution Zone as the Facility, the Customer will propose a method to apportion its surplus generation against its consumption under multiple accounts for billing purposes. The Customer will either designate the order in which the apportionment of surplus generation is to be applied to individual accounts or nominate the fraction of surplus generation to be apportioned to each account or choose a combination of both approaches. If a Customer subscribes to more than one net metering applications within the same Distribution Zone, each account will have only one Facility assigned to it for billing purposes. The proposed method of surplus allocation and the account assignment to generating facilities will be approved upon the Customer's enrollment in the Program and will stay in effect until such a time when Customer submits a written request for change. NSPI may, at its sole discretion, approve such changes provided they remain in place for at least a calendar year.
- j) Subject to Section 7) ("Renewable Energy Certificates"), any environmental credits that may be created through the generation of energy through Net Metering will be held by NSPI.

## 7) RENEWABLE ENERGY CERTIFICATES

- a) Upon written request by the Customer to NSPI, and in accordance with this Section 7), NSPI will register all applicable Renewable Energy Certificates for the Customer on an annual or more frequent basis with an internationally-recognized organization. The output to be recorded for purposes of the Renewable Energy Certificate must be measured by NSPI-installed meters. Any expense or cost reasonably incurred by NSPI pursuant to such request shall be for the account of the Customer and the Customer shall promptly reimburse NSPI for any such expenditure or incurred cost.
- b) Following its written request, the Customer shall grant NSPI the authority to manage the administration of Renewable Energy Certificates on its behalf. The registration and retirement of Renewable Energy Certificates will commence once the Customer's Facility has been set up within the internationally-recognized organization's internal systems.
- c) Upon request by the Customer, NSPI will provide a document annually no later than March 31 of the year following the calendar year being reported on to the Customer confirming the Customer-specific Renewable Energy Certificates registration that includes the following:
  - i) the annual volume of Renewable Energy Certificates;
  - ii) Customer identification number; and

iii) Vintage.

- d) NSPI will immediately retire all Renewable Energy Certificates registered on the Customer's behalf with the internationally-recognized organization's tracking system. Once the document described in subsection 7)c) is provided to the Customer, the Renewable Energy Certificate is confirmed to be retired.
- e) The parties agree that the total electrical energy output of the Customer's Facility while the Customer is a participant in the Program, whether delivered to NSPI or self-supplied to the Customer, shall be counted by NSPI toward its compliance with the renewable portfolio standard requirements set forth in the *Renewable Electricity Regulations* (N.S. Reg. 155/2010), and the Customer shall take no actions to utilize or take credit for the Facility's environmental attributes in a manner that could hinder NSPI from doing so.

#### 8) **SUSPENSION OF INTERCONNECTION**

- a) If the Customer's Facility is not operating in accordance with the Interconnection Requirements (including a Distribution Generator Interconnection Agreement, if applicable), any Laws, the Program Terms and Conditions, this Agreement, or any statutory requirements as may be amended from time to time, NSPI may disconnect the Customer's Facility until the Facility is, in NSPI's sole opinion acting reasonably, found to be in compliance with such requirements.
- b) If, in the event of non-compliance, NSPI does not disconnect the Facility, then NSPI will provide written notice of default. If the default is not cured within 30 days, then NSPI may terminate this Agreement and the Customer's participation in the Program in accordance with section 8, Term and Termination.
- c) NSPI may disconnect the Facility from the Distribution System without prior notice if the operation of the Facility is or may become in NSPI's sole discretion a threat to personal safety, the safety of the general public, or the integrity of the Distribution System.

#### 9) **INDEMNITY AND RISK OF LOSS**

- a) NSPI shall not be liable for any loss, damage, or injury, including but not limited to death, relating to this Agreement or the operation of the Facility except to the extent that such loss, damage, or injury may be attributed to the negligence or willful misconduct of NSPI.
- b) The Customer shall assume all risk of loss, damage or injury, including death, to person or property, to the extent caused by its directors, officers, employees, sub-suppliers, agents or representatives in connection with the Facility, and agrees not to make or bring any claim, action or demand against NSPI or its directors, officers, servants, agents, or employees in respect of such loss, damage or injury arising out of or in any way attributable to the operation of this Agreement excepting such loss, damage or injury caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.
- c) For the purposes of this Section 9) "**Claims**" shall mean any liabilities, losses, expenses (including legal costs), claims, demands, actions and causes of action, whether based upon breach of

contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and/or strict liability.

- d) The Customer agrees to indemnify and save harmless NSPI, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any Claims whatsoever suffered by NSPI by reason of, or arising out of, or any way attributable to this Agreement or ancillary to the Customer's operation of the Facility contemplated herein excepting only to the extent caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.
- e) The provisions set forth in this Section 9) shall apply and be effective with respect to any claim, cause of action, or legal theory whatsoever including without limitation, Claims based upon breach of contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and strict liability.

#### 10) TERM AND TERMINATION

- a) This Agreement is effective as of the Effective Date and shall remain in effect until terminated. This Agreement may be terminated by either party upon providing 30 days prior written notice to the other party. This Agreement may be terminated by NSPI upon the Customer being in default of its obligations as outlined in Section 7). NSPI will provide notice of default to the Customer. If such default is not cured within 30 days following notice of the default having been provided to the Customer, this Agreement shall terminate without further notice to the Customer.
- b) Notwithstanding any provision in this Agreement, NSPI may terminate this Agreement effective immediately upon written notice to the Customer upon the happening of any one or more of the following:
  - i) the Customer's electrical service is disconnected, regardless of whether such disconnection is at the request of the Customer or in accordance with NSPI's Rates and Regulations.
  - ii) In the event NSPI's metering indicates that the Customer's Facility has not generated electricity for a period of 12 calendar months.

#### 11) DISPUTE RESOLUTION

- a) In the event of a dispute in connection with this Agreement the Customer and a senior officer of NSPI shall promptly meet to discuss and resolve the dispute and the parties shall have 10 days to resolve the dispute (or five days if either party notifies the other party that the matter requires urgent resolution).
- b) If resolution cannot be achieved, then such dispute or difference may be referred by either party to binding arbitration under the provisions of the *Commercial Arbitration Act* (Nova Scotia).
- c) Unless otherwise requested by Customer, there shall be no stoppage in the provision of net metering services during the dispute resolution process.

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- a) All notices to be given to either party under this Agreement shall be written and addressed to NSPI and to the Customer as follows:

Nova Scotia Power Incorporated  
Attention: Legal Services  
PO Box 910  
Halifax, NS B3J 2W5  
Facsimile: (902) 428-6171

To the Customer:

Attention:  
Telephone Number:  
Email Address:

- b) All notices may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notice shall be given when received by the addressee on a business day. In the absence of proof of the actual receipt date, the following presumptions will apply:
- i) Notices sent by facsimile shall be presumed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a business day or is after five p.m. (Nova Scotia prevailing time) on a business day, then such facsimile shall be deemed to have been received on the next following business day;
  - ii) Notice by overnight courier shall be presumed to have been received on the next business day after it was sent; and
  - iii) Notice by first class mail shall be presumed delivered five business days after mailing.
- c) Either party may modify its address for notices by advance written notice to the other party.

**13) MISCELLANEOUS**

- a) The Program Terms and Conditions are hereby incorporated by reference into, and form part of, this Agreement.
- b) This Agreement does not supersede the requirements outlined in any applicable Rates and Regulations as approved by the NSUARB from time to time, or legislation, including but not limited to *the Public Utilities Act*, the *Canadian Electrical Code*, the *Occupational Health and Safety Act*.
- c) This Agreement shall only be renewed with the written consent of both parties.
- d) The insertion of headings in this Agreement is for convenience only and shall not be construed so as to affect the interpretation or construction of this Agreement.

- e) The recitals and schedules are hereby incorporated into this Agreement.
- f) This Agreement is to be read with all changes in gender and number as required by the context.
- g) This Agreement shall be deemed to have been made in and shall be governed by, construed and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada, as applicable therein.
- h) No consent or waiver, express or implied, by any party to this Agreement of any breach or default by any other party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance.
- i) This Agreement is the entire agreement between the parties with respect to the subject matter hereto and shall not be modified, varied or amended except by an instrument in writing signed by the parties.
- j) Should any provision of the Agreement be declared by a judicial or other competent authority to be unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.
- k) The parties agree that this Agreement and all related documents shall be in English.
- l) This Agreement may be executed by the parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without limitation, by email or facsimile transmission, of any signed original of this Agreement shall be the same as the delivery of an original.

**IN WITNESS THEREOF**, the Parties have duly executed this Agreement, in duplicate, as of the date set forth above.

**NOVA SCOTIA POWER INCORPORATED**

Per: \_\_\_\_\_

Name:

Title:

**CUSTOMER**

Per: \_\_\_\_\_

Name:



**SCHEDULE "A"**  
**SITE PLAN**

**SCHEDULE "B"**  
**SINGLE LINE DIAGRAM**