

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

RENEWABLE NET METERING RIDER

SUPPLEMENTAL TO RESIDENTIAL PRICE PLAN E-21, E-23 AND E-26 GENERAL SERVICE PRICE PLAN E-32 AND E-36 PUMPING PRICE PLAN E-47 AND E-48 LARGE GENERAL SERVICE PRICE PLAN E-61, E-63, E-65 AND E-66

Effective: May 2010 Billing Cycle
Supersedes: November 2009 Billing Cycle

APPLICABILITY:

To wind, geothermal or solar electricity conversion systems with an Alternating Current electrical peak capability of 100 kilowatts (kW) or less. Limited to customers receiving service under Standard Price Plans E-21, E-23, E-26, E-32, E-36, E-47, E-48, E-61, E-63, E-65 and E-66 who purchase power and energy provided by SRP and who are qualified to sell power and energy back to SRP. Not available to other customers.

CONDITIONS:

- A. Two or more meters may be required for Renewable Net Metering customers receiving service under the applicable price plan. The customer is required to provide a metering service entrance for all meters.
- B. At SRP's request, the customer must sign SRP's then-current form of Interconnection Agreement as a condition for service under this rider.
- C. The customer shall pay SRP for interconnection costs prior to commencement of service under this rider. Interconnection costs include but are not limited to reasonable costs of connection, switching, relaying, metering, transmission, distribution, safety provisions, engineering studies and administrative costs incurred by SRP directly related to the installation of the physical facilities necessary to permit interconnected operations.
- D. The customer's total generation output is sold directly to SRP and the customer's total electric requirements are met by sales from SRP.
- E. A customer may cancel service under this rider, and cancellation becomes effective at the end of the billing cycle in which notice is received. The customer may not subsequently elect service under this rider for at least one year after the effective date of cancellation

NET METERING METHOD:

The kilowatt-hours (kWh) delivered to SRP shall be subtracted from the kWh delivered from SRP for each billing cycle. If the kWh calculation is net positive for the billing cycle, SRP will bill the net kWh to the customer under the applicable price plan, Standard Price Plan E-23, E-26, E-32 or E-36 for which they take service. If the kWh calculation is net negative for the billing cycle, SRP will carry forward and credit the kWh against customer kWh usage on the next monthly bill. However, if the kWh is net negative at the end of the April billing

cycle, SRP will credit the net kWh from the customer at an average annual market price. No credits will be carried forward to the May billing cycle.

ANNUAL CREDIT:

Solar Net Metering Credit = Excess kWh for the April billing cycle * (Annual Average Market Price - \$0.00017/kWh)

where:

- Excess kWh for the April billing cycle is equivalent to the net negative kWh for the billing cycle.
- Average Annual Market Price is calculated to be a simple average of the Daily On-Peak Market Price from May 1st of the prior year to April 30th of the current year. Daily prices will be taken from the Daily Firm On-Peak Price at Palo Verde published by Dow Jones (or another comparable index if the Dow Jones Index is no longer available).
- The price adjustment of \$0.00017/kWh represents the cost incurred by SRP for scheduling, system control and dispatch services.

ADJUSTMENTS:

SRP will increase or decrease billings under this rider in proportion to any taxes, fees, or charges (excluding federal or state income taxes) levied or imposed by any governmental authority and payable by SRP for any services, power, or energy provided under this rider.