

**SCHEDULE 203
NET METERING SERVICE**

AVAILABLE

In all territory served by the Company.

APPLICABLE

This schedule is applicable to a Customer with installed generating equipment that qualifies as a Net Metering Facility (Customer-generator). Service under this schedule is provided pursuant to the requirements of OAR 860-039-0005 through 0080 and ORS 757.300.

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DEFINITION

Net metering measures the difference between the Electricity supplied by the Company and the Electricity generated by a Customer-generator that is fed back to the Company over an applicable Billing Period. Net Metered generation is supplied to the Company from a Customer that operates an interconnected power production facility using solar power, wind power, fuel cells, hydroelectric power, landfill gas, digester gas, waste, dedicated energy crops available on a renewable basis or low-emission, nontoxic biomass based on solid organic fuels from wood, forest or field residues where the generating nameplate capacity is 2 MW or less for Non-residential Customers and 25 kW or less for Residential Customers. The facility must operate in parallel with the Company's existing Facilities and be primarily intended to offset part or all of the Customer's own electrical requirements.

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MONTHLY BILLING

Each Customer-generator will pay monthly charges (including Basic, Demand, Facilities, and Reactive Demand charges) as applicable in accordance with the Customer's service option selection and receive kWh credits as described below.

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During a monthly Billing Period when the Company supplies a Customer-generator more energy than the Customer-generator supplies to the Company, the Customer-generator will be charged for the net energy supplied in accordance with the Customer's service option selection.

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During a monthly Billing Period when the Customer-generator supplies to the Company more Energy than the Company supplies to the customer-generator, (that is, there is net excess kWh that is delivered to the Company), the Customer will be billed the appropriate monthly charges (including Basic, Demand, Facilities, and Reactive Demand charges as applicable) and will be credited for the net excess Energy on the next monthly bill as provided for in OAR 860-039-0055(1).

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SCHEDULE 203 (Continued)

EXCESS ANNUAL KILOWATT-HOUR CREDITS

In accordance with OAR 860-039-0060, at the end of the last monthly Billing Period of the Customer's-generator annual billing cycle, any excess kWh credits accumulated will be transferred to the Company's low income assistance program at the average annual Schedule 201 Avoided Cost rate. The Customer's excess kWh credits are set to zero for the beginning of the subsequent annual billing cycle. The annual billing cycle begins with the Customer-generator's regularly scheduled April Billing Period (which typically begins in March)¹ and ends with completion of the March Billing Period of the following year unless a different annual billing cycle is mutually agreed to by the Customer-generator and Company and such agreement is provided to the Commission within 30 days.

SPECIAL CONDITIONS

1. Prior to the interconnection of a Net Metering Facility the Customer-generator must submit an application for interconnection review, execute a written Net Metering Agreement and Interconnection Agreement with the Company, and remit any applicable fees and charges as described in Special Condition 9. The Company will review the application in accordance with the requirements of the applicable Interconnection facility review set out in OAR 860-039-0030, 0035 and 0040. An applicant may contact the Company's Net Metering Coordinator at (503) 464-8000 or via email at netmetering@pgn.com for net metering service information, applications and agreements.
2. The Customer-generator is responsible for obtaining all necessary government approvals relating to its net metering facility and must meet all applicable building codes and standards including standards specified in OAR 860-039-0020.
3. The Customer-generator is responsible for all costs associated with its Net Metering facility and is also responsible for all costs related to any modifications to the facility that may be required by the Company resulting from the reviews as provided for in OAR 860-039-0030, 0035 or 0040, as applicable.
4. As provided in OAR 860-039-0015 where applicable, a manual disconnect switch capable of isolating the Net Metering Facility from the Company's system must be provided by the Customer-generator and will be accessible to the Company at all times.
5. The Company maintains the right to inspect the facilities with reasonable prior notice and at a reasonable time of day.
6. The Company maintains the right to disconnect, without liability, the Customer-generator for issues relating to safety and reliability.

1. Except that the annual billing cycle ending March 2008, will be a partial year beginning with the Customer-generator's Billing Period following the effective date of October 24, 2007.

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SCHEDULE 203 (Concluded)

SPECIAL CONDITIONS (Continued)

7. The Company will not be liable directly or indirectly for permitting or continuing to allow an attachment of a Net Metering Facility, or for the acts or omissions of the Customer-generator that cause loss or injury, including death, to any third party.
8. As provided for in OAR 860-039-0065, upon request from the Customer-generator, the Company will aggregate for billing purposes the monthly kWh usage of the Customer's designated meter any additional meters of the Customer-generator served on the same rate schedule, where all meters are located on the Customer's contiguous property and served by the same primary feeder. A 60 day notice is required for requests to aggregate meters.
9. The Company will apply the following fee's to each Net Metering Facility interconnection application as provided in OAR 860-039-0045:
 - a) For Level 2 interconnection review, \$50.00 plus \$1.00 per kW of a Net Metering Facilities capacity.
 - b) For Level 3 interconnection review, \$100.00 plus \$2.00 per kW of a Net Metering Facilities capacity.
 - c) For Level 2 and 3 interconnections, the reasonable costs for additional engineering and Company system modifications.

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