

attachment "A" for a current copy of Schedule D of the T&Cs. Hi-lighted in yellow indicates where the revisions are required.

Also, QEC has developed a model for tracking and reporting on the financial impacts of the NMP (net revenue loss as a percentage of QEC's approved revenue requirement). This model can easily be updated as new net metering customers join the program. The model uses similar indicators used by other utilities in monitoring their net metering program. The current net revenue loss is projected at 0.06% of QEC's approved revenue requirement.

In conjunction with this proposal to revise the T&Cs, QEC is proposing to update the QEC Net Metering policy accordingly. See attachment "B" for a copy of the updated policy.

Sincerely,

A handwritten signature in blue ink that reads "Rick Hunt". The signature is written in a cursive, flowing style.

Rick Hunt
President and CEO
Qulliq Energy Corporation

SCHEDULE D
CONDITIONS OF NET METERING SERVICE

1. Eligible Customers

- 1.1. Under the Net Metering Program, electricity Customers who own small, renewable energy generators can receive a kilowatt hour credit for excess energy that flows from the Customer's renewable energy generation source, through the Corporation's meter, to the Corporation's system.
- 1.2. The program is open to the Corporation's electricity Customers in all communities, for all forms of commercially proven renewable energy generation.
- 1.3. The Net Metering Program is available to all Residential Customers and **one** Municipal Corporation owned account per community.
- 1.4. The Customer must have an existing service with the Corporation in good standing.

2. Capacity and Other Limitations

- 2.1. The rated size of the connected renewable energy generator shall not exceed **10** kilowatts (kW).
- 2.2. The overall capacity limit of the Net Metering Program for renewable energy generation in each community shall not exceed 7% of the annual average peak load of each feeder or feeder section, as evaluated by the Corporation. The Corporation may vary the capacity limit, on a community by community basis, having regard to performance and safety of the system.

3. Connection to the Grid

- 3.1. Renewable energy generation projects under the Net Metering Program must meet the Corporation's Technical Interconnection Requirements and relevant Canadian Electrical Codes.
- 3.2. The Net Metering installation must be inspected by the Government of Nunavut's Safety Services Division and may be inspected by the Corporation.

4. Roles and Responsibilities

4.1. Cost Responsibility

- 4.1.1. Net Metering Customers are responsible for all costs incurred on the Customer side of the service entrance including all costs of operation and costs of complying with applicable Laws and Regulations. The service

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entrance is where the Corporation's electrical facilities or conductors are connected to the Net Metering Customers' facilities.

- 4.1.2. The Net Metering Customer is responsible for any costs incurred to upgrade the Corporation's systems solely to accommodate the Net Metering Customer. The Corporation will carry out the required engineering, design and construction work and charge the costs back to the Net Metering Customer.

4.2. Other Responsibilities

The Corporation shall:

- 4.2.1. Implement, maintain and communicate the Net Metering Program to Customers.
- 4.2.2. Maintain and update, all applicable documentation for the Net Metering Program; and make these documents readily accessible for Customers on the corporate website.
- 4.2.3. Determine whether Net Metering Customers meet all interconnection requirements and are therefore eligible for the Net Metering Program.
- 4.2.4. Provide estimates to Customers of any upgrades required on the Corporation's system for interconnection.

The renewable energy generator/net metering Customer shall:

- 4.2.5. Meet the technical interconnection requirements applied by the Corporation.
- 4.2.6. Notify the Corporation of Net Metering plans and make available the Net Metering project for inspection by the Corporation and the Government of Nunavut's Safety Services Division.
- 4.2.7. Conform to all relevant municipal by-laws, territorial and federal laws and regulations.
- 4.2.8. Enter into a Net Metering service agreement.

5. kWh Energy Credits

- 5.1. Customers will not receive any monetary compensation from the Net Metering Program. The Net Metering Program is restricted to a kWh for a kWh exchange of electrical energy. Net Metering Customers will receive a monthly kWhs credit

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equal to the amount of kWhs exported to the Corporation's system during the billing period. The Corporation shall measure the kWh credit for every kWh exported from the service through the Corporation's bi-directional meter to the Corporation's system and apply the credit to the Net Metering Customer's electrical account in each billing cycle.

- 5.2. In any month, if the Customer in total exported more electricity to the Corporation's system than the Customer consumed from the Corporation, the Corporation will credit this difference between exported and consumed kWh to the Customer's account as a banked credit.
- 5.3. In any month, if the Customer in total consumed more electricity from the Corporation than the Customer exported to the Corporation's system, the Corporation will apply energy units (kWh) from the Customer's banked balance as credits against the difference between consumed and exported kWh.
- 5.4. The Corporation must provide details of the credit showing the kWh exported during the billing cycle and the running balance of the exported kWh on the Customer's monthly bill.
- 5.5. Credit for excess electricity kWh generated within a billing cycle will be applied as needed to the subsequent month billing cycle within the Net Metering Program annual period. Successive credits must be applied to offset power usage in the order in which the credits were accrued. The reset date for excess generation will be March 31 of each year. Customers may join the program at any time during the year.
- 5.6. The account credit for each Net Metering Customer will be reset to zero on March 31 of each year. Credits cannot be carried over from the previous annual period or transferred to any other account.



QEC's Terms and Conditions of Service, customers who own small scale renewable energy generators can receive a kilowatt hour credit for the surplus energy that flows from the customer's renewable energy generation system to the utility system. Customers who intend on taking part in the NMP must contact QEC prior to purchasing any renewable energy solutions to ensure they select a generation system which satisfies the requirements of QEC's NMP.

4. Definitions

a. Customers

Residents or corporations in Nunavut who hold an electricity account with QEC.

b. Net Metering

Net metering is a system in which renewable energy generators are connected to a public-utility power system and surplus power is transferred onto the power system, allowing customers to offset the cost of power drawn from the utility.

b. QEC Terms and Conditions of Services

The document which outlines the relationship between the customer and the utility regarding the services QEC provides, associated fees and charges.

c. Rated Capacity

Rated capacity is the maximum amount of power the system is able to safely and continuously produce.

d. Renewable Energy Generation System

A renewable energy generation system is a system that creates electrical energy from a renewable resource and makes that energy available for use.

5. Roles and Responsibilities

5.1. Minister responsible for QEC (Minister)

- The Minister is accountable to the Executive Council of the Legislative Assembly of Nunavut for the implementation of this policy.

5.2. The President and Chief Executive Officer of QEC (President)



- 6.3. Each customer shall be limited to one renewable energy generation system per account.
- 6.4. A municipality shall be eligible for up to two renewable energy generation systems per account.
- 6.5. If there are multiple renewable energy generation systems at one location, the total rated capacity must not exceed the QEC maximum capacity identified in the QEC Terms and Conditions of Service.
- 6.6. The NMP must not result in cross-subsidies between regular customers and customers with NMP capacity.
- 6.7. To ensure QEC continues to provide safe, reliable power across the territory, the total renewable energy generation which may tie into a community's power system shall not exceed the amount specified in the QEC Terms and Conditions of Services. No new applications will be approved once the defined limit has been reached.
- 6.8. Provisions for the billing and crediting system used to administer the NMP are stated in the QEC Terms and Conditions of Service. In the event there are credits left at the end of the Net Metering cycle on March 31 in any given year, the credits will be reset to zero.
- 6.9. Any personal information collected under the NMP is subject to the *Access to Information and Protection of Privacy Act* and shall not be distributed or used for any purpose other than the administration of the NMP and this policy.

7. Prerogative of Executive Council

- 7.1. Nothing in this policy shall in any way be construed to limit the prerogative of Executive Council to make decisions or take action respecting services related to Net Metering by the Government of Nunavut, outside the provisions of this policy.

8. Sunset

- 8.1. This Policy will be effective from the date of signature until March 31, 2025.