

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
203 OLDS STATION ROAD
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

MAY 16, 2025

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Jason Ridlon
2. Approval of the Agenda
3. Showcase Efforts & Outcomes - Wenatchee High School
4. CPO Winner Recognition
5. Washington State Department of Health: Helion Regulatory Requirements
6. Transmission Interconnection Update
7. Fifth Street Redevelopment Update
8. Public Comment
Time for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00 PM

Consent Agenda

9. Minutes of the May 5, 2025 Regular Meeting, May 8, 2025 Special Meeting
10. Vouchers: Accounts Payable Summary Report dated May 13, 2025:
 - a. Vouchers totaling \$14,561,659.88;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period April 29, 2025 through May 12, 2025 in the amount of \$95,061.22.
 - c. Approval of the net Payroll, Warrant Nos. 238759 through 238767 and Advice Nos. 799334 through 800210 for the pay period ending May 04, 2025 in the amount of \$2,887,527.40.
 - d. Approval of Warrant Nos. 33093 through 33133 totaling \$14,807.51 for claim payments from the workers' compensation self-insurance fund for the period ending May 12, 2025.

- e. Approval of Parks Reservation System customer refunds for the period April 25, 2025 through May 12, 2025 in the amount of \$1,295.00.

Regular Agenda

- 11. A RESOLUTION DECLARING SOUTHERN STATES LLC OF HAMPTON, GEORGIA AS THE SOLE SOURCE SUPPLIER OF 115KV CIRCUIT SWITCHER FOR USE AT THE WALLA WALLA SUBSTATION
- 12. A RESOLUTION APPROVING AN IRRIGATION SHARES PURCHASE AND SALE AGREEMENT WITH CHELAN COUNTY
- 13. A RESOLUTION AMENDING THE DISTRICT'S POLICY FOR NET METERING
- 14. A RESOLUTION AMENDING THE DISTRICT'S POLICY FOR SUSTAINABLE NATURAL ALTERNATIVE POWER (SNAP) GENERATION
- 15. Manager Items
- 16. Commission Items
 - a. Special Meeting
Proposed motion: To set a special meeting on Wednesday, June 4, 2025 @ 5:30pm at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of a community meeting regarding data center and large load contracts
- 17. Follow-up on Delegation of Action Items from Previous Board Meeting
- 18. Delegation of Action Items
- 19. Additional Public Comment
- 20. Matters of general business as may necessarily come before the Commission
- 21. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i), to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c) and to plan the strategy or position to be taken during the course of collective bargaining, as authorized by RCW 42.30.140(4)(b) for ____ minutes

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION DECLARING SOUTHERN STATES
LLC OF HAMPTON, GEORGIA AS THE SOLE SOURCE
SUPPLIER OF 115KV CIRCUIT SWITCHER FOR USE
AT THE WALLA WALLA SUBSTATION

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District has determined that there is the need for a 115kV Circuit Switcher with a higher interrupting rating to replace the existing circuit switcher located at the Walla Walla Substation, which was custom built by Southern States, LLC in 2007.

District staff have determined that only Southern States, LLC can manufacture the required custom-built circuit switcher with an identical bolt pattern to be mounted on the existing structure and to allow replacement without the need for costly redesign and reconfiguration of the structural and electrical elements. This supports the safe and reliable operation of a different type of circuit switcher at this location.

Pursuant to RCW 54.04.070 and 39.04.280, the District may, when there is clearly and legitimately a sole source of supply, waive the statutory competitive bidding requirements otherwise applicable to the purchase of equipment. Resolution No. 17-14215 requires that a declaration for sole source purchases over the statutory limits (\$60,000 per month) must come before the Commission for action.

District staff has determined that it would be in the best interest of the District to designate Southern States, LLC as the sole source supplier for 115kV Circuit Switcher in an amount not to exceed \$191,548 (exclusive of freight charges, which will be reimbursed at cost, and Washington State sales tax). Staff also recommends that the competitive bidding requirements of RCW 54.04.070 be waived.

The General Manager has reviewed staff's recommendations and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY
DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Commission declares Southern States, LLC to be the sole source supplier for 115kV Circuit Switcher.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Southern States, LLC as the sole source supplier for 115kV Circuit Switcher.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Southern States, LLC for the purchase of 115kV Circuit Switcher at a cost not to exceed \$191,548 (exclusive of freight charges, which will be reimbursed at cost, and Washington State sales tax) without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 16th day of May 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING AN IRRIGATION
SHARES PURCHASE AND SALE AGREEMENT WITH
CHELAN COUNTY

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Public Utility District No. 1 of Chelan County (District) is authorized under RCW 54.16.030 to supply water for all purposes, public and private, including waterpower, domestic use, and irrigation, and has the authority to sell, regulate, and control the use, distribution, and price thereof.

The District owns and operates the first two miles of the Dryden Canal, which diverts water from the Wenatchee River in Chelan County. Thereafter, the Dryden Canal is owned and operated by the Wenatchee Reclamation District.

The District has been working with interested property owners along the first two miles of Dryden Canal to facilitate legal and permanent water right authority for these owners' irrigation purposes.

Chelan County (County) holds irrigation shares (Irrigation Shares) on County-owned property served by the Icicle Peshastin Irrigation District (IPID).

The District is working with the County, IPID, and Washington Department of Ecology (Ecology) to secure sufficient IPID shares to provide water right authority for the interested property owners along Dryden Canal, thereby effecting compliance with state law.

The District and the County have negotiated a Purchase and Sale Agreement (PSA), which contains standard terms and contingencies for the purchase of the Irrigation Shares. As provided in the PSA, the District will purchase up to twenty-four (24) Irrigation Shares, sufficient to irrigate up to 24 acres of land, subject to approval by IPID and Ecology. The District will also fund system improvements for the County to facilitate the surplus Irrigation Shares.

Staff recommends the Commission approve the proposed PSA with the County. The General Manager has reviewed staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The Purchase and Sale Agreement with Chelan County to purchase up to twenty-four (24) Irrigation Shares, as described therein, for the purchase price not to exceed Three Hundred-Sixty Thousand Dollars (\$360,000) and to fund system improvements for the County, as described therein, for the purchase price of One Hundred-Sixty Thousand Dollars (\$160,000) is hereby approved, and the General Manager or his designee is authorized to sign the Purchase and Sale Agreement and to take such further steps as may be required to complete the transaction.

DATED this 16th day of May 2025.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AMENDING THE DISTRICT'S
POLICY FOR NET METERING**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Public Utility District No. 1 of Chelan County (District) established the Net Metering Policy pursuant to RCW 80.60 via Resolution No. 01-11873 and later amended via Resolution No. 06-13021. The Net Metering Policy allows customer-generators to offset, or credit, energy provided by the District with energy generated by the customer-generator's net metering system.

Staff has identified the need to update the Net Metering Policy to align with amendments to RCW 80.60 passed by the Washington State Legislature. Amendments increased the maximum system size of customer-owned generating systems from 25 kilowatts (kW) to 100 kW and increased the allowed maximum cumulative generating capacity of interconnected net-metered systems from 0.25 percent to equal four percent of the District's 1996 system peak demand.

Additional amendments to the Net Metering Policy, required by State law, include provisions that allow the customer-generator to request the District provide meter aggregation. Meter aggregation permits a net-metered customer to apply excess renewable energy generation from one service point to another meter owned by that same customer-generator that is located on the same or contiguous parcel to offset electricity supplied by the District.

Lastly, the annual cut-off date for remaining unused credits for kilowatt-hours accumulated during the previous year has been adjusted from April 30th to March 31st of each calendar year to align with state law.

District staff recommends that it is in the best interest of the District to amend the Net Metering Policy as described herein.

The General Manager has reviewed staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY
DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Effective immediately, the District's Net Metering Policy shall be amended as provided in Attachment "A".

Section 2. All prior resolutions inconsistent with this resolution are hereby rescinded and superseded.

Dated this 16th day of May, 2025.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal

ATTACHMENT “A”**POLICY FOR NET METERING****1. AVAILABILITY**

The Net Metering Program is available to customer-generators who: (i) have an electric generator system that has an alternating current (AC) generating capacity of not more than one hundred (100) kilowatts; (ii) purchase electric power from the District under the provisions of another District rate schedule; and (iii) sign a Net Metering Agreement with the District allowing them to interconnect and operate in parallel with the District's electric distribution system.

The Net Metering Program is available to eligible customer-generators on a first-come, first-serve basis until the earlier of either: (i) June 30, 2029; or (ii) until such time as the cumulative AC generating capacity of generators participating in the program exceeds 17.10 megawatts (4.0 percent of the District's 426.7 MW peak demand in 1996). At least one-half of the District's 1996 peak demand available for net metering systems shall be reserved for the cumulative AC generating capacity attributable to net metering systems that generate renewable energy.

Net metering means measuring the difference between the electricity supplied by the District and the excess electricity generated by a customer-generator's net metering system over the applicable billing period.

The customer-generator shall install, operate and maintain, entirely at its own expense, such equipment as is necessary to satisfy the safety, interconnection, and power quality requirements applicable to small electric power generators of the National Electric Code, National Electric Safety Code, Washington State Safety Standards, PUD Utility Service Regulations, Institute of Electrical and Electronics Engineers, and recognized safety testing laboratories, and such other safety, interconnection, and power quality requirements as the PUD may reasonably specify.

The District may adopt additional safety, power quality, and interconnection requirements for customer-generators that the District determines are necessary to protect public safety and system reliability.

Customer-generator shall comply with all other requirements of Chapter 80.60 RCW.

2. BILLING ADJUSTMENT

The District's charges for electricity are adjusted for customer-generators who sign and comply with a Net Metering Agreement as follows:

The customer-generators shall pay for the net electricity used by the customer-generator in accordance with the following formula:

- (a) The customer-generator shall pay for all electricity used in any billing period in excess of the amount of electricity produced by the customer-generator during that billing period;
- (b) The customer-generator shall receive a credit for all electricity produced during a billing period in excess of the amount of electricity supplied by the District during that period; such credit to be applied to the customer-generator's subsequent electricity bill; provided that;
- (c) On March 31 of each calendar year, any remaining unused credits for kilowatt-hours accumulated during the previous year shall be granted to the District, without any compensation to the customer-generator and with no further liability to the District.

For the purposes of the Net Metering Program, "billing period" shall be the billing period applied to customers of the same rate class and in the same geographic area as a customer-generator participating in the Net Metering Program and shall be subject to payment terms specified in the District's Utility Service Regulations. The price for electricity provided to or credited to a customer-generator under the Net Metering Program shall be the price charged for such electricity by the District under the provisions of the rate schedule under which the customer-generator receives service; as such rate schedule may be revised from time to time by the District.

The Net Metering Program billing adjustment only applies to charges for energy. A customer-generator participating in the Net Metering Program is subject to all other charges, rates, terms and conditions, including any minimum charges and delivery charges, of the District rate schedule under which the customer-generator receives service, and any fees and charges pursuant to and as specified in the District's Fees and Charges Schedule.

3. METER AGGREGATION

Meter aggregation is available as provided in this section. For a customer-generator participating in meter aggregation, credits for kilowatt-hours earned by the customer-generator's net metering system during the billing period, first shall be used to offset electricity supplied by the District at the location of the customer-generator's designated meter. A customer-generator may aggregate a designated meter with one additional aggregated meter located on the same parcel as the designated meter or a parcel that is contiguous with the parcel where the designated meter is located. Parcels are considered contiguous if they share a common property boundary or would be but for a road or rail corridor.

A customer-generator who receives retail electric service from the District at an aggregated meter must be the same customer-generator who receives retail electric service from the District at the designated meter where such a customer-generator's net metering system is located.

Credits for excess kilowatt-hours earned by the net metering system at the site of a designated meter during a billing period shall be credited by the District for kilowatt hour charges due at the aggregated meter at the applicable rate of the aggregated

meter. If credits generated in any billing period exceed total consumption for that billing period at both meters that are part of an aggregated arrangement, credits shall be retained by the customer-generator for the next subsequent billing period, subject to the limitations of Section 2(c).

Aggregated meters shall not change rate classes due to meter aggregation under this section.

An owner of multifamily residential facility may install a net metering system assigned to a single designated meter located on the premises of the multifamily residential facility where tenants are not individually metered customers of the District. The owner must distribute any benefits of the net metering to tenants of the facility where the net metering system is located as required in Chapter 80.60 RCW. The distribution of benefits to tenants of such a system, if any, is the responsibility of the owner of the net metering system and not the responsibility of the District.

RESOLUTION NO. _____

A RESOLUTION AMENDING THE DISTRICT'S
POLICY FOR SUSTAINABLE NATURAL
ALTERNATIVE POWER (SNAP) GENERATION**FACTUAL BACKGROUND AND REASONS FOR ACTION**

In 2001, the Washington State Legislature passed RCW 19.29A that required the District to offer customers a voluntary option to purchase qualified alternative energy resources. These resources may be owned or purchased by the District. In response, the District created the Sustainable Natural Alternative Power (SNAP) program, adopted by Resolution 01-11874.

The District collects the contribution funds and distributes them once a year to all SNAP Producers. SNAP Producers receive a proportionate share of customers' voluntary contributions based upon their share of the total annual generation. In addition to their share of SNAP funds, Producers also receive either the net metering benefit or the wholesale value of that energy. While the amount of generation from the SNAP Producers has continued to grow, the volume of contributions received through customer contributions has decreased; thus, reducing the annual available SNAP funds paid to Producers. Staff has found that most customers installing Customer-owned generating facilities are opting to install a net-metered system instead of participating in the SNAP program as it makes more financial sense to do so.

To align with these installation trends, as well as to continue to support the existing SNAP Producers in the County, staff recommends that the District stop accepting new applications for SNAP producers after May 16, 2025. The District will continue to offer the opportunity for customers to purchase the qualified alternative energy resources, of which the existing SNAP Producers will continue to receive their proportionate share based upon their annual generation. Furthermore, SNAP Producers may opt to convert their system to a net-metered system as described by the District's Net Metering Policy; however, once they do so, they will no longer receive any of the SNAP funds.

The General Manager has reviewed staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Effective immediately, the Policy for SNAP (Sustainable Natural Alternative Power) Generation Within Chelan County PUD's Service Territory shall be amended as provided in Exhibit "A".

Section 2. All prior resolutions inconsistent with this resolution are hereby rescinded and superseded.

Dated this 16th day of May, 2025.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal

ATTACHMENT “A”

POLICY FOR SNAP (SUSTAINABLE NATURAL ALTERNATIVE POWER) GENERATION WITHIN CHELAN COUNTY PUD’S SERVICE TERRITORY

1. OVERVIEW

This policy is applicable to Sustainable Natural Alternative Power (SNAP) generators with a capacity of 25 kW or less, installed on or before May 16, 2025. The District is no longer accepting new SNAP applications as of {insert date here}. Customers who wish to install and interconnect qualified alternative energy resources to the District’s electric grid after May 16, 2025, will be subject to the District’s Net Metering Policy. Qualified alternative energy resources as defined in RCW 19.29A include facilities fueled by wind, solar energy, geothermal energy, landfill gas, wave or tidal action, gas produced by the treatment of wastewater, qualified hydropower, or biomass energy based on solid organic fuels from wood, forest, or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol or copper-chrome-arsenic.

All costs associated with interconnecting SNAP generation shall be the responsibility of the Producer, unless exempted under this policy or related agreements.

2. CHELAN COUNTY PUD POWER PURCHASING SERVICES FOR SNAP GENERATION

This option is available for any SNAP generation interconnected with the District's electric system on or before May 16, 2025. The total generation authorized to be purchased by the District under SNAP and the net metering program combined shall not exceed 5 MW.

A. Concept

Generation output will be absorbed by the District.

Annually, the District will pay the Producer for generation received according to the payment methods provided below in Section 4. The payment is comprised of two components: 1) either a kWh credit resulting from net metering, or a percentage of the corresponding average of the Day-ahead Mid-C Firm Index for Light Load Hour (LLH) as

published by the Intercontinental Exchange (ICE) or mutually accepted subsequent index for the corresponding metering periods, and 2) a portion of the fund comprised of customer purchases of SNAP generation.

SNAP purchases from District customers will be added to a SNAP fund. This fund will be used to pay Producers for their SNAP generation. The SNAP fund will be closed on March 31 of each year and the level of funds as of this date will determine the amount of SNAP funding available for distribution to Producers for the calendar year ending that date.

SNAP fund payments will not exceed \$1.50 per kWh. Any SNAP funds in excess of this level will be held over to the following year and added to the SNAP fund for the next calendar year. This payment method is dependent on the voluntary purchases of other District customers. If there is no money in this fund the Producers will receive no payment from this fund and the District shall not be required to make this payment from any other fund.

The District will charge SNAP Producers a monthly meter fee. This fee is subject to change by the Chelan County PUD Board of Commissioners. The fee is for reading the meter, issuing a statement of energy received by the District, and for record keeping and related accounting associated with administration of the program. The fee will also include other fixed costs associated with connecting the Producer to the District's distribution system (e.g. a dual meter base adapter).

The fee is based on monthly costs and will be noted on the monthly statement sent to the Producer. The Producer though is not obligated to pay this fee at the time the statement is issued. The Producer's annual meter fee will be deducted from the annual payment made to the Producer. If the Producer has not generated adequate revenue by December 31 of each year to cover this obligation, the Producer will be sent an invoice by January 31 of each year indicating the amount due to the District. This amount due is subject to payment terms as provided in the District's Utility Service Regulations, Section 10. Producers that fail to meet this payment obligation will be disconnected and not allowed to participate as a SNAP Producer.

- B. Producer Operational Responsibilities** The Producer shall:
- Provide to the District the names and telephone numbers of individuals who may be contacted on operational and emergency matters for each specific generating project.
 - Be responsible for all maintenance of Producer-owned generation equipment and must ensure that the operation of

this equipment does not create any disturbances on the District's distribution system.

- Notify and receive approval by the District prior to increasing generation capacity.
- Not interconnect any non-qualified power generating equipment to the Producer's side of the meter used to measure SNAP generation or to the District's distribution system.

C. District's Operational Responsibilities The District shall:

- Provide the Producer names and telephone numbers of District individuals who may be contacted on operational and emergency matters respecting the generating project.
- Provide to the Producer a specific project number, which shall be used exclusively in communications respecting the generation from that project.
- If practical, provide reasonable notice to the Producer of planned outages that will affect the Producer.
- Read the utility meter monthly provided reasonable access and send the Producer a statement indicating the amount of power received by the District.
- Annually in May of each year, make wholesale power payments to Producer.
- Collect SNAP purchases from retail customers and annually in May of each year, distribute SNAP purchases to Producers.

D. Payment Methodology for Received Generation

Producers that are not net-metered will receive payments from two sources for the power they generate. One source is directly from the District and is based on the wholesale price of power as described below. The other funding source is from the SNAP fund comprised of Chelan County PUD retail customer purchases of SNAP generation as described in Section 3 above.

Producers that are net-metered will receive a kWh credit for their production according to District's Net Metering Policy and receive a payment from the SNAP fund comprised of District retail customer purchases of SNAP generation as described in Section 3 above.

Producers will receive a payment from the SNAP fund in proportion to their percentage of the total SNAP generation (in kilowatt-hours) delivered to the District. For example, a Producer that delivers 10 percent of the total SNAP generation is entitled to 10 percent of the SNAP funds. Payments from the SNAP fund are limited to \$1.50 per kWh. This source

of funds is dependent on voluntary purchases by District customers. The District makes no guarantee on funding available from this source.

Payments to the Producers from both sources will be once a year, on or before May 21. Both payment methodologies are discussed below in Sections E and F.

E. Wholesale Power Payments

This methodology provides for a payment for energy received from Producer generation. The energy received by the District will be purchased from the Producers at 75 percent of the corresponding average of the Day-ahead Mid-C Firm Index for Light Load Hour (LLH) as published by the Intercontinental Exchange (ICE) or mutually accepted subsequent index, for the corresponding billing period.

1. Factors for wholesale power payment methodology:

$\$LLH_m$ – Average of the ICE Day-ahead Mid-C Firm Index for Light Load Hour (LLH) for a given billing period, not to exceed \$250 per MWh

LLH_p – Percentage of monthly average of the ICE Day-ahead Mid-C Firm Index for Light Load Hour (LLH) to be paid to Producers (currently 75%)

G_i – Individual Producer generation for a given billing period (kWh)

2. Payment Calculation:

$$\text{District Energy Payment} = \sum (\$LLH_m * LLH_p * G_i) / 1000$$

F. SNAP Payments

The District solicits voluntary purchases from its customers to purchase power from SNAP generation. The District passes 100 percent of these purchases to the participating Producers, based on the following methodology:

1. Factors for SNAP payment methodology:

i) $\sum G_i$ – Total Annual generation per Individual Producer (kWh)

ii) $\sum G_a$ – Total Annual generation for All Producers (kWh)

iii) $SNAP_p$ - Total balance in the SNAP fund (\$) (Annual SNAP purchases plus any carryover from the previous year)

2. Payment Calculation: SNAP Energy Payment = $(SNAP_p * \sum G_i) / \sum G_a$ not to exceed \$1.50 per kWh

3. SNAP payments are limited to \$1.50 per kWh and to the availability of SNAP funds. If the \$1.50 per kWh price cap results in money remaining in the SNAP fund after payments are made to the producers, this

money will be rolled back into the fund and used for payments in the following year. If there is no money in the fund, then no SNAP fund payments will be made.

G. Meter Fees

The monthly meter fee is for reading the meter, issuing a statement of energy received by the District and for record keeping and related accounting associated with administration of the program. The fee also includes other fixed costs associated with connecting the Producer to the District's distribution system. Although this fee will appear on the monthly statement, the Producer is not required to pay the fee at the time statement is issued. The monthly fees will be deducted from the annual payment made to the Producer.

If the Producer has not generated adequate revenue by December 31 of each year to cover this obligation, the Producer will be sent an invoice by January 31 of each year indicating the amount due to the District. This amount due is subject to payment terms as provided in the District's [Utility Service Regulations, Section 10](#). Producers who fail to meet this payment obligation will have the SNAP meter disconnected and will not be allowed to participate as SNAP Producers until the account is current.

1. Factors for monthly meter fees

i) Σ Monthly meter fees

Total Annual Payment to Producer equals the sum of the *Wholesale Power Payment and the SNAP Payment less the Meter Fees*

3. TESTING AND INSPECTIONS

The District will require that each system be tested and inspected for safety requirements.

Further tests may be required on individual systems. The Producer will be responsible for the costs of testing inverters and power generating equipment that does not meet UL 1741. The Producer must allow the District the necessary access to perform the test.

4. TRANSFERRING TO THE DISTRICT'S NET METERING PROGRAM

SNAP Producers may submit a written request to the District to be transferred to the Net Metering Program. If approved by the District, the final reading will be used to calculate the Producer's annual payment as described in Section 3.

Producers will be responsible for all costs associated with changes to their facilities that will allow participation in the Net Metering Program.

5. EQUIPMENT AND INTERCONNECTION REQUIREMENTS

The Producer must install all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers (IEEE), and Underwriters Laboratories (UL) and the District's [Utility Service Regulations](#). This includes but is not limited to IEEE 929 and UL 1741.

6. INSURANCE REQUIREMENTS

Producers with SNAP generation will not be required to carry liability insurance with the District as a named insured if their system and equipment meets the requirements provided in Section 6.

7. DAMAGE TO DISTRICT FACILITIES

If Producer's generating facilities cause damage to the District's electric system and/or facilities, Producer shall be responsible for all costs associated with the repair and/or replacement of such facilities or equipment. If Producer's facilities in any way cause a loss or damage to the District's other customer, retail or wholesale, Producer shall be responsible for such damages, claims and losses.

If Producer's generating facilities cause damage to or interfere with District or its customer's facilities, the District will disconnect the Producer's facilities from the District's system until the cause of the damage or interference is remedied.

8. DISTRICT UTILITY SERVICE REGULATIONS

Service under this policy is subject to the rules and regulations as defined in the District's [Utility Service Regulations](#).

9. DISCONNECTION OF PRODUCER'S GENERATION

If at the District's sole discretion, the Producer is found to be in violation of any part of this policy, the District will disconnect the Producer's generation by locking out the disconnect switch until the violation is corrected. If the District has reason to believe the Producer has connected non-qualified generation, the District will disconnect the Producer's generation by locking out the disconnect switch until the District is satisfied that there is no non-qualified generation connected to the District's system.

If at the District's sole discretion it is determined that the Producer has connected nonqualified generation to the SNAP generation system and is delivering power to the District through the SNAP production meter, the District will remove the SNAP

production meter and the Producer will no longer be eligible to participate in the SNAP program.

10. SNAP GENERATION FEES

A. AVAILABILITY:

These fees apply to Producers within the District's service territory that connected approved SNAP generation resources on or before {enter date} to the District's distribution system. Qualifying resources include wind, solar, geothermal, qualified hydro, biomass and any other District approved generation.

B. CHARACTER OF SERVICE:

Service to be furnished under this Policy is subject to the Policy for Providing Incentives to Support Renewable Energy Under RCW 82.16.110 Et. Seq., Interconnection Standards for Customer-Owned Generating Facilities 25 kW or Less, Net Metering Generation and execution of a Power Purchase and Interconnection Agreement For SNAP Generation.

C. METERING:

Metering of energy delivered to the District is through a separate meter supplied by the District.

Meter Fee: \$3.85 per month per meter

D. NET METERING

A Producer requesting Net Metering will be subject to the fees and charges as specified in the District's [Fees and Charges](#) Schedule.

E. TAX ADJUSTMENT:

The amount of tax levied by any city or town in accordance with R.C.W. 54.28.070, of the Laws of the State of Washington, will be added to the above charges if applicable.

Effective: **JANUARY 1, 2008**

Amended: **May 16, 2025**