SSO & OAD Net Metering Service

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Definitions

Net positive: The term "net positive" refers to when the customer's excess generation is less than what is delivered from the generation service provider for a given revenue period.

Net negative: The term "net negative" refers to when the customer's excess generation is greater than what is delivered from the generation service provider for a given revenue period.

Standard Service Offer (SSO): Customers receiving generation, transmission and distribution service from AEP Ohio are served under the standard service offer schedule.

Open Access Distribution (OAD): Customers receiving only distribution and transmission service from AEP Ohio and generation service from a Competitive Retail Electric Service (CRES) provider are served under the open access distribution schedule.

Overview

The purpose of this document is to provide an overview of the processes and rules for customers participating in either AEP Ohio's SSO or OAD Schedule Net Energy Metering Service (NEMS).

Net metering is defined by the Public Utilities Commission of Ohio (PUCO) as a qualifying customer-generator whose generating facilities are:

(a) Fueled by solar, wind, biomass, landfill gas, or hydropower, or use a micro turbine or a fuel cell.
(b) Located on a customer-generator's premises.
(c) Operated in parallel with the electric utility's transmission and distribution facilities.
(d) Intended primarily to offset part or all of the customer-generator's electricity needs.
Refer to Ohio Administrative Code 4901:1-10-28

Executive Summary

In AEP Ohio (Company), any customer with qualifying generating facilities has the ability to participate in NEMS while on either the SSO or OAD service schedules. The generation service provider (AEP Ohio or CRES) is responsible for addressing the customer-generator's excess kWhs.

When on the SSO service schedule, customers are billed on the distribution (D), transmission (T) and generation (G) rates of AEP Ohio for their total net usage each billing period. When the usage is net negative the G rate is applied to the excess kWhs as a monetary credit that is applied to the customer's bill.

When a customer is on the OAD service schedule, they are billed on the D and T rates of AEP Ohio for their total net usage unless the usage is less than 0 kWh (i.e. net negative) for the revenue period. At that point, the customer is billed 0 kWh on the D and T rates of the OAD service schedule. How generation service is addressed by the CRES provider when a customer is on the OAD service schedule is

determined by the CRES provider. Under deregulation the CRES provider has no obligation or requirement to provide compensation of any kind for the excess kWhs of a net metering customer.

All generation for CRES providers are settled in the PJM market on the total aggregated usage. Any customers served under the CRES generation that goes net-negative (net usage less than 0 kWh for the period) have that excess usage applied as a credit to the CRES overall aggregate settlement usage upon 60-day resettlement.

Manual Processes

- For a single register "00006" and "00008" meter (single disc meter), when consistent net negative generation occurs resulting in the meter running backwards past the zero register read value, AEP Ohio's Customer Information System (CIS) interprets the register read value as excessive positive usage or excessive usage calculated as a result of a misreading, requiring Ohio Choice Operations to follow up with an e-mail to the CRES provider indicating the correct net usage for the period.

- For customers with interval data recorder (IDR) meters, AEP Ohio sends delivered intervals in the additive loop with the correct summary data and the received intervals are sent as delivered intervals in the subtractive loop with the correct summary data in the EDI 867 MU. Ohio Choice Operations follows up with a clarifying e-mail as described above.

Settlement

AEP Ohio includes negative loads in the CRES hourly load calculation for final true-up settlement data delivered to PJM. With an IDR meter, it is possible to identify specific hours when the customer generates electricity back to the electric grid. This generation is incorporated in the CRES total hourly energy obligation reported to PJM, and offsets the CRES provider's reported load. CRES providers can work with net meter customers to provide pass-through credit for their excess generation.

Unaccounted for Energy

AEP Ohio applies an unaccounted for energy (UFE) factor to all AEP Ohio zonal loads prior to data submission to PJM for final 60-day true-up. For non-IDR customers that on occasion generate more energy than delivered energy from their CRES resulting in net negative usage, generation is accounted for in the UFE calculation, providing credit to all market participants proportionally to their load.

Billing

This section is broken down between two potential outcomes whereby the customer's usage is either net positive or net negative.

Net Positive

For customers on SSO: If the Company supplies more kWh of electricity to the customer than the customer-generator's facility feeds back to the Company's system during the billing period, all energy charges of the customer's standard service schedule shall be calculated using the customer's net energy usage for the billing period.

For customers on OAD: Energy charges under the OAD service schedule shall be based on the customer's net energy for the billing period. CRES providers receive the net kWhs when the customer has a single register meter or the kWhs delivered and received when the customer has a dual register meter.

Net Negative

For customers on SSO: If the customer-generator's facility feeds more kWh of electricity back to the Company's system than the Company supplies to the customer during the billing period, only the generation-related energy charges of the customer's standard service schedule, including all applicable generation-related riders, shall be calculated using the customer's net energy supplied to the Company. All other energy charges shall be calculated using an energy value of zero (0) kWh. If the customer's net billing under the standard service schedule is negative during the billing period, the negative net billing shall be allowed to accumulate as a credit to offset billing in the next billing period. The customer may request, in writing, a refund of accumulated credit that is no greater than an annual true-up of accumulated credits over a twelve month period.

For customers on OAD: Energy charges under the OAD service schedule shall be based on the customer's net energy for the billing period. In no event shall the customer's net energy for the billing period be less than zero for purposes of billing under the OAD service schedule. CRES providers receive the net kWhs when the customer has a single register meter or the kWhs delivered and received when the customer has a dual register meter.

Meter Requirements

Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in each direction. If the existing electrical meter installed at the customer's facility is not capable of measuring the flow of electricity in two directions, the Company, upon written request of the customer, shall install at the customer's expense an appropriate meter with such capability.

The Company may, at its own expense and with written consent of the customer, install one or more additional meters to monitor the flow of electricity.

Electronic Data Interchange (EDI)

The EDI for net metered accounts are defined in the Ohio EDI guidelines. AEP Ohio transmits the delivered and received usage in its billable 867 Monthly Usage transaction to CRES providers (*unless customer has 00006 or 00008 meter type installed)*. AEP Ohio transmits the delivered intervals in the additive loop but transmits the received intervals as delivered intervals (*instead of the received intervals)*

in the subtractive loop of the 867 Monthly Usage transactions to CRES providers resulting in the intervals netting to zero.

AEP OHIO DISTRIBUTIVE GENERATION EDI TRANSACTIONS

Billable Usage-Net Positive		
Meter Type	EDI Transaction	Manual Follow-Up
"00006" or "00008"	Correct Usage Sent	No
Dual Register	Correct Usage Sent	No
Interval Data Recorder	Correct Usage Sent	No
Billable Usage-Net Negative		
Meter Type	EDI Transaction	Manual Follow-Up
"00006" or "00008"	Calculation work-around (CIS Interprets meter turnover)	Yes
Dual Register	Correct Usage Sent (Summary Usage shows 0 kWh)	Yes
Interval Data Recorder	Received Intervals sent as Delivered Intervals in the Subtractive Loop	Yes
Historical Usage-Net Positive		
Meter Type	EDI Transaction	Manual Follow-Up
"00006" or "00008"	Correct Usage Sent	No
Dual Register	Correct Usage Sent with qualifiers	No
Interval Data Recorder	Correct Usage Sent	No
Historical Usage-Net Negative		
Meter Type	EDI Transaction	Manual Follow-Up
"00006" or "00008"	Abnormally large value (CIS Interprets meter turnover)	Sometimes
Dual Register	Correct Usage Sent with qualifiers	No
Interval Data Recorder	If hour is net negative, AEP sends 0.	Sometimes