

RIDER TO RETAIL RATES

**NET ENERGY METERING FOR
RENEWABLE ENERGY FACILITIES – PERFORMANCE BASED INCENTIVE (“PBI”)**
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AVAILABILITY

This rider is available in conjunction with the Company’s Rider to Retail Rates - Net Energy Metering For Renewable Energy Facilities (NEM), the terms of which are incorporated herein by reference. This rider is only available to residential customers who install solar photovoltaic facilities of not more than the lesser of 100% of an off-set to the customer-generator’s own electrical energy requirements or twenty (20) kilowatts alternating current (AC) nameplate capacity on or after January 1, 2015, on the customer’s premises. This rider is available on a first come, first serve basis until (i) December 31, 2020, or (ii) the date on which the cumulative capacity limit in Chart A has been reached by PBI reservations for residential net metering customers, whichever is earlier. Residential customers electing to participate in PBI are ineligible to also participate in “Community Solar” or the Company’s “Small Power Production, Cogeneration Rate PR-1.” Residential customers seeking service under PBI are also subject to provisions of the Company’s Rider NEM.

**CHART A
PBI STEP-DOWN**

Cumulative Capacity (Megawatts)	PBI (per kilowatt-hour)
0 – 2.5	\$0.04
2.51 – 5	\$0.03
5.1 – 7.5	\$0.02
7.6 - 9	\$0.01

ADMINISTRATION OF PBI STEP-DOWN

The PBI will be administered using the capacity-based step-down tiers set forth in Chart A above. The output from the customer’s generating facility will be multiplied by the applicable PBI. Each step-down level shall be triggered when the capacity limit for a given PBI step level has been reached by residential customer-generators. After sufficient reservations have been secured to meet a capacity limit, the PBI shall be automatically adjusted downward for all new customers requesting service under this Rider. The Company will update the current PBI generator capacity reservations, in kW, on its website monthly.

RESERVATION OF PBI CREDIT

Customer must submit a PBI application and an application for generator interconnection, and execute a generator interconnection agreement prior to installation of the generating system and, upon approval, the Company will guarantee the amount of the incentive for one hundred and eighty (180) days from the date the Applicant is notified of its PBI application approval. The Company will grant up to two (2) extensions of 90 days each upon written request of the Applicant, or a designated representative, such as the installer or lessor of the generating system. Customers applying for net metering after January 1, 2015, and that install or are in the process of installing a generating system prior to the time the Company’s PBI reservation system is publicly available, shall have 90 days from the date the reservation system is established by the Company to apply, for the net metering PBI and such request shall be treated on a first-come, first serve basis according to the date of the net metering application.

TERM OF PBI CREDIT

SCE&G will credit the customer’s account with the applicable PBI amount for a period of up to ten (10) years for each premises but not to exceed the term of the contract under which the customer currently receives electric service at the premises, unless otherwise proscribed by the Public Service Commission of South Carolina, or until such time as the customer requests termination of service under this Rider.

PBI CREDIT

The PBI credit will be calculated monthly and reflected as a monthly credit on the customer billing statement during the applicable billing month for the next billing cycle. The calculation of the PBI credit shall begin following SCE&G’s installation of a bi-directional billing meter on the Customer’s premises. In the event that the amount of the PBI credit exceeds the amount of customer’s bill, then excess credits will rollover and be applied to the next billing statement. Any outstanding billing statement credit of \$600 or more as of the November billing month will be provided through a payment to the Customer. Any outstanding billing statement credit under \$600 as of the November billing month will continue to rollover and be applied to the next billing statement.

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(Page 2 of 2)**ASSIGNMENT OF PBI CREDIT**

Customer may assign its right to receive its PBI credit to a third-party installer or lessor of the solar facility. Customer must notify SCE&G in writing that it has assigned its right to receive its PBI credit and complete the applicable form to confirm the assignment of customer's PBI credit. PBI credit assignments shall be paid to the third-party installer or lessor of the solar facility on a quarterly basis. The amount of the PBI credit assignment for each month of the quarter will be shown on the applicable customer billing statement.

TRANSFER OF PBI CREDIT TO SUBSEQUENT PREMISES OWNER/LESSEE

Customer taking service under this Rider is eligible to transfer its PBI credit for its premises to a subsequent premises owner or subsequent lessee of the generating facility located on the premises. In the event of such transfer, the subsequent customer must execute the applicable applications and agreements referenced in this Rider. Such subsequent customer will be able to assume any remaining credits available for such premises under this Rider.

GENERAL PROVISIONS

- (1) To qualify for this rider, the customer must first qualify for and be served on one of the following Rate schedules, Rates 1, 2, 5, 6, 7, and 8. The customer must also meet all other qualifications as outlined in the availability section above, and satisfy the Company's obligations for service under their applicable rate service.
- (2) All provisions of the applicable rate schedules listed above in (1) including, but not limited to Billing Demand, Determination of On- and Off-Peak Hours, Adjustment for Fuel Costs, Demand Side Management Component, Pension Costs Component, Storm Damage Component, Sales and Franchise Tax, Payment Terms, and Special Provisions will apply to service supplied under this rider.
- (3) The customer must execute the necessary applications and interconnection agreement, submit the applicable non-refundable interconnection application fee, and receive the necessary approval letter from SCE&G, prior to receiving service under this rider and abide by the standards for interconnection that describes the conditions related to interconnection of the customer generation with the Company's electrical system.
- (4) The customer is solely responsible for compliance with any federal, state, county, municipal or other tax laws, rules, and regulations.

METERING REQUIREMENTS

Customer must furnish, install, own, and maintain a meter socket to measure 100% of the Customer's generator output and that is connected on the Customer's side of the delivery point. Company will furnish, install, own, and maintain a generation meter. Company will also furnish, install, own and maintain a bi-directional billing meter to measure the kWh delivered from Company to Customer and to measure kWh received from Customer by Company. The billing meter will be configured for demand and/or time-of-use measurement as required by the applicable rate. All metering shall be at a location that is approved by the Company.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are part of this rider.