

## Review Process for Customer Generation Program Consideration

***The procedure below is Consumers Energy Company's ("Consumers Energy" or "the Company") review process for eligibility for its customers to participate in its Distributed Generation and/or Legacy Net Metering programs. It provides additional context to the Rate Book of Electric Service section C11.2 G. The methods further clarify an "eligible generator" and the determining factors for application approval.***

Expected Generation is the estimated electric power produced by a renewable generator or aggregation of generators. For solar generation it is derived by multiplying the generator nameplate capacity, a capacity factor, and the hours in a year as follows:

$$\text{Expected Generation} = \text{Total Generator Nameplate Capacity (DC)} * 0.1274 * 8,760$$

A generator is deemed "eligible" for program participation when, among other things, expected generation does not exceed 110% of the annual electric usage as measured in kWh ("kWh usage") for the previous 12 months.

Other methods can be employed to derive expected generation if acceptable documentation or sufficient data is provided as support.

- **Customer has 12 months of usage**

An eligible generator is "Approved" based on one of the following:

1. Expected Generation does not exceed 110% of the customer's most recent 12-month kWh usage from the review date.
2. Expected Generation does not exceed 110% of the customer's most recent 12-month kWh usage from up to 2 months prior to the review date.
3. Expected Generation is sized to meet criteria 1 or 2 with additional documentation (a or b) that substantiates additional load, at the Company's discretion.
  - a. Evidence of additional load may include receipts of newly purchased electric vehicle/major appliances/machinery dated from no greater than 90 days (3 months) before date of review.
  - b. Receipts that are time-stamped with a date and/or written summary that justifies a timestamp that exceeds 3 months.
4. Expected Generation does not exceed 110% of the customer's 12-month kWh usage history from a previous year with a summary and/or documentation validating a lifestyle change. *Ex. Unexpected length of time where the site was unoccupied.*

- **Customer has 6 months of usage but less than 12 months**

An eligible generator is “Approved” based on one of the following:

1. Expected Generation does not exceed 110% of the customer’s average monthly kWh usage multiplied by 12.
2. Expected Generation does not exceed 110% of the customer’s average monthly kWh usage multiplied by 12 (omitting 1-2 outlier months).
3. Expected Generation does not exceed 110% of the customer’s average kWh usage multiplied by 12 (omitting up to 6 outlier months) with a summary and /or documentation validating a lifestyle change. *Ex. Unexpected length of time where the site was unoccupied.*

- **Customer has 3 months of usage but less than 6 months:**

An eligible generator is “Approved” based on one of the following:

1. Expected Generation does not exceed 110% of the customer’s average monthly kWh usage multiplied by 12.
2. Expected Generation does not exceed 110% of the customer’s average monthly kWh usage multiplied by 12 (omitting 1-2 outlier months).
3. Expected Generation does not exceed 110% of the customer’s average monthly kWh usage multiplied by 12 (omitting up to 3 outlier months) with a summary and /or documentation validating a lifestyle change. *Ex. Unexpected length of time where the home was unoccupied.*

- **Customer has 0 months of recorded usage on the account:**

An eligible generator is “Approved” based on one of the following:

**New Construction**

1. Submission that includes any combination of an Electrical Scope of Work, Electric Panel Diagram, Blueprint, and receipts that reasonably validates expected generation would not exceed 110% of load.

**Other Projects**

1. Submission that includes any combination of receipts, that reasonably validate expected generation would not exceed 110% of load.