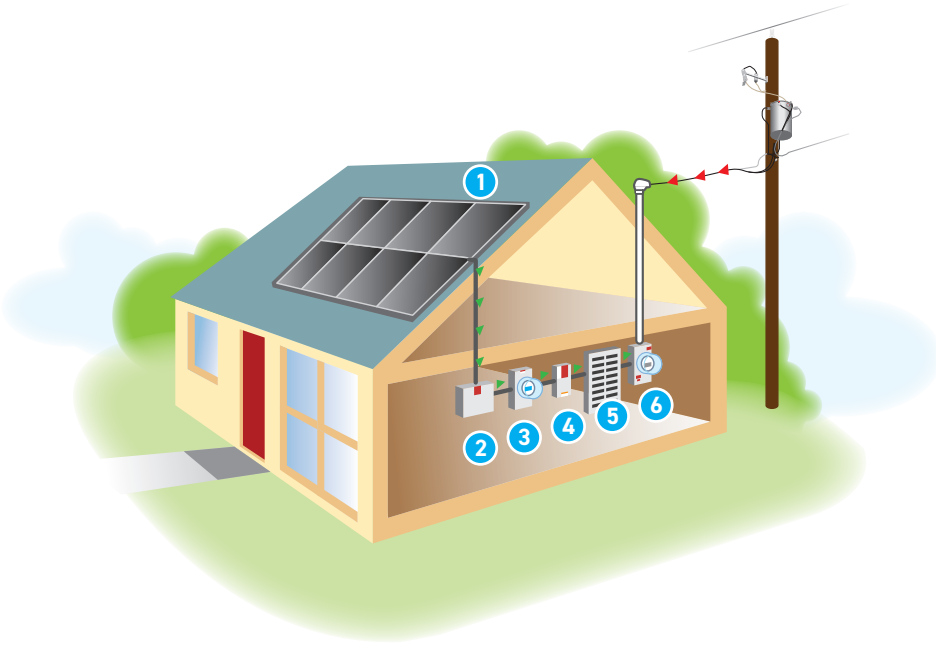


TARIFFS/RATES

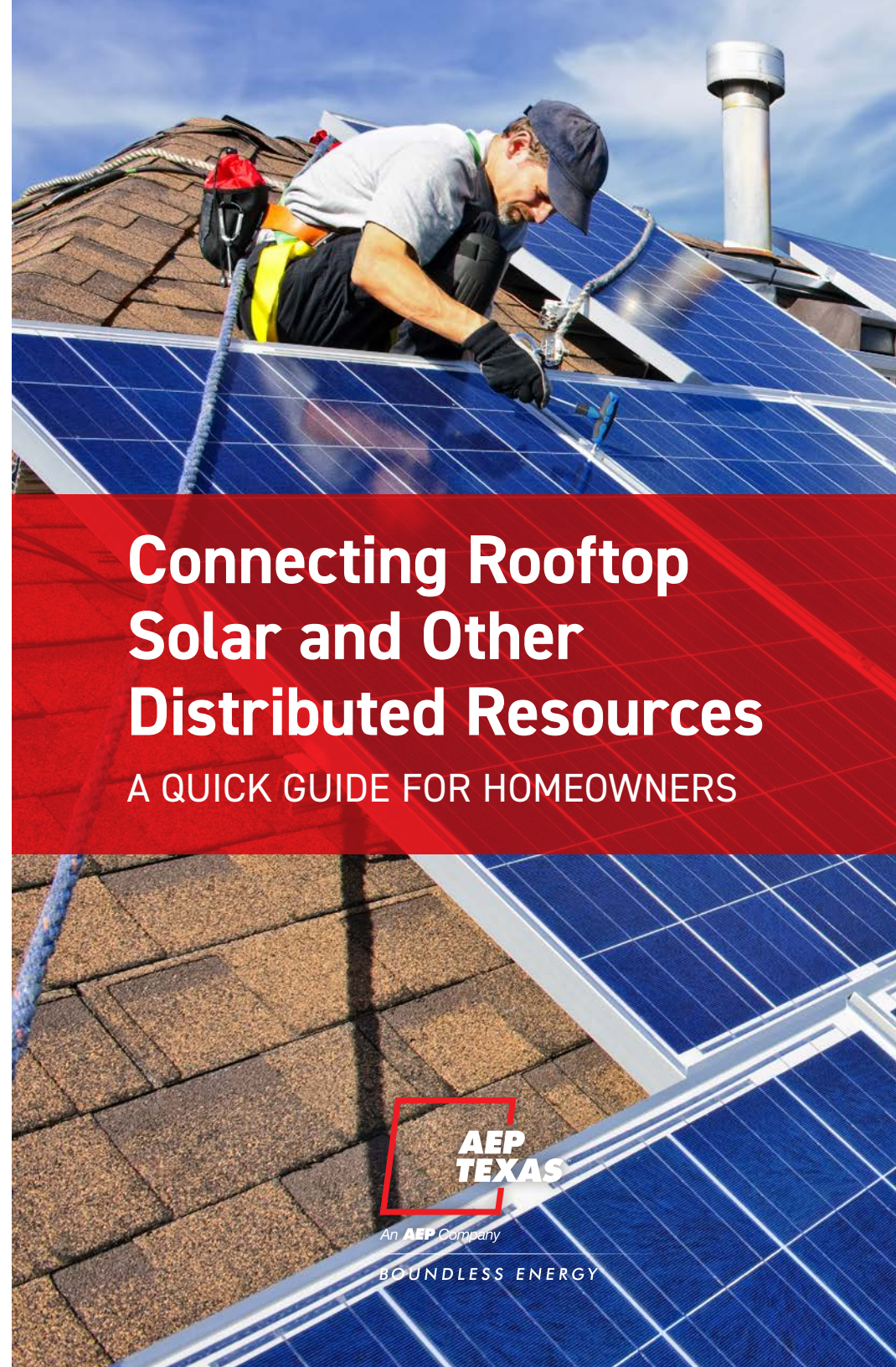
The Net Energy Metering Service (NEMS) tariff, approved by regulators, dictates the rate you are credited for the energy generated but not used by you. Each month, a NEMS customer will receive a credit for any excess net energy production based on the generation rate for the same period the energy is produced.

Visit aeptexas.com/rates to find the most current rates that apply to your location.



How Interconnection Works

- 1 Distributed Energy Resource** – This is any source of power that is not owned by our utility. For homeowners, the most popular equipment is rooftop solar panels.
- 2 Inverter** – Most distributed energy resources like rooftop solar panels generate direct current (DC) power, while home appliances use alternating current (AC) power. An inverter converts DC power to usable AC power, and provides overcurrent or overvoltage protection.
- 3 Generation Meter** – This meter measures how much energy your equipment generates. This meter is sometimes called a "production meter" and it operates separately from your existing electric meter.
- 4 AC Disconnect Switch** – We use this device to safely isolate your equipment from our power supply. This must be lockable and accessible to our crews at all times.
- 5 Breaker Box** – This is the control box that allows you to shut off power to different sections of your home (or all of your home if desired).
- 6 Utility Meter** – This meter is the typical meter installed in every home when it is powered by our utility. This meter measures how much energy your home is consuming from our utility.



Connecting Rooftop Solar and Other Distributed Resources

A QUICK GUIDE FOR HOMEOWNERS

**AEP
TEXAS**

An AEP Company

BOUNDLESS ENERGY

CONNECTING WITH US

We want to protect your home and the power grid that serves our communities. That's why we comply with all applicable laws and regulations for connecting your distributed energy resource to our system.

If you own or lease a distributed energy resource that supplies energy to your home or building that is connected to our system, then your equipment is interconnected. This interconnection allows your home or building to be powered by our system when there is not enough sunlight or wind for your equipment to generate electricity to meet your energy needs. In addition to back-up power from us, an interconnection may allow you to get credit on your bill when you create more energy than you use.

For most homeowners, the request for interconnection service takes a less than 35 days, but some cases may take longer. For more details about requirements, refer to aeptexas.com/GeneratingEquipment. Here's what you can expect once you complete an application to connect to our system.

1 Submit an **APPLICATION**.

If your proposed equipment meets technical and safety requirements, you will be approved for an **INTERCONNECTION SERVICE AGREEMENT** within 35 days of submitting a fully completed application.*

2 Sign the interconnection service agreement.

3 Install your equipment and install the required AC disconnect switch, securing any local permits and inspections as required by law. Then, notify us to schedule a post-installation field verification.

4 If your equipment passes our post-field verification, we will install a meter capable of registering the flow of electricity in each direction. And we will notify you to turn on the **AC DISCONNECT SWITCH** to allow your equipment to start powering your home or building.

FREQUENTLY ASKED QUESTIONS

HOW MUCH IS AEP TEXAS PAYING ME FOR THE EXCESS POWER I GENERATE?

— You will receive a credit on your bill based on rates set by the public utilities commission. The rate varies from time to time and in some cases even monthly.

WILL I GET A CHECK? — No. When you generate more power than you use, you get a credit that offsets your charges on the current bill with any remaining credit balance applied to next month's bill.

WHY DON'T I HAVE POWER DURING A SYSTEM OUTAGE? — Because most inverter based systems are designed to only operate in combination with the utility system to avoid damaging either the utility system or the distributed energy resource. It is a safety measure to prevent back feeding electricity onto our high-voltage distribution lines.

WHAT AM I RESPONSIBLE FOR? — You are responsible for complying with all applicable laws, regulations, as well as the easement, licensing, design, equipment, studies, protection, maintenance, and operation by qualified personnel required to accommodate power generation and/or storage. You are responsible for synchronization with the distribution system, and we are not responsible for damage to your equipment resulting from outages. In addition, you will be responsible for the cost of any negative impact, investigation, and system upgrades required to accommodate your connection, as well as future modifications prompted by changes in our system and type of service provided.

WHAT HAPPENS IF I SWAP OUT EQUIPMENT? — After an application has been approved, any changes in your project including equipment type, size or rating requires an updated application.

DO I HAVE TO GO THROUGH THIS PROCESS FOR A BACK-UP POWER GENERATOR?

— Not if it is strictly used as an emergency back-up generator. If it's a so-called "make-before-break" system, you must go through this process if the generator will be interconnected for more than 100 milliseconds (6 cycles).

FOR MORE INFORMATION, REFER TO aeptexas.com/GeneratingEquipment OR CONTACT US AT rbburchard@aep.com OR 325-481-3529.

* Most (90-95%) of applicants are approved in the first review. If your equipment is acceptable and you complete any modifications deemed necessary, you will be approved for an **INTERCONNECTION SERVICE AGREEMENT**.