

**Virginia State Corporation Commission
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Minimum Bill**Total Number of Pages** 77**Submission ID** 33414**eFiling Date Stamp** 4/1/2025 11:14:31AM

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April 1, 2025

BY ELECTRONIC FILING

Hon. Bernard J. Logan, Clerk
State Corporation Commission
Document Control Center
Tyler Building, 1st Floor
1300 East Main Street
Richmond, VA 23219

**Re: Commonwealth of Virginia, *ex rel.* State Corporation Commission – *Ex parte*: In
the matter of future minimum bill proceedings of Appalachian Power Company
Pursuant to § 56-594.4 – Case No. PUR-2025-00028**

Dear Mr. Logan:

Enclosed please find the Petition of Appalachian Power Company Pursuant to Virginia Code § 56-594.4 Proposing a Minimum Bill, Tariffs, and Agreements to Implement a Shared Solar Program.

If you have any questions or need further information, please feel free to contact me.

Sincerely,

Andrew J. Flavin



Enclosures

cc: William H. Chambliss, Esq.
Frederick D. Ochsenhirt, Esq.
Arlen Bolstad, Esq.
Noelle J. Coates, Esq.
Chelsey B. Noble, Esq.
Service List

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

CASE NO. PUR-2025-00028

Ex Parte: In the matter of future minimum
bill proceedings of Appalachian Power
Company pursuant to Code § 56-594.4.

**PETITION OF APPALACHIAN POWER COMPANY PURSUANT TO
VIRGINIA CODE § 56-594.4 PROPOSING A MINIMUM BILL, TARIFFS, AND
AGREEMENTS TO IMPLEMENT A SHARED SOLAR PROGRAM**

Pursuant to § 56-594.4 of the Code of Virginia (“Code”), and the State Corporation Commission of Virginia’s (“Commission”) Order Establishing Proceeding issued on February 10, 2025 (“February 10th Order”), Appalachian Power Company (“Appalachian” or the “Company”) petitions the Commission for approval of its proposed minimum bill for shared solar programs. In support of this Petition, the Company respectfully states as follows.

I. INTRODUCTION AND BACKGROUND

Appalachian is a Virginia public service corporation serving approximately 542,000 customers in Virginia and maintaining an office at 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219. The Company is also an incumbent electric utility as defined in the Virginia Electric Utility Regulation Act. The contact information for Appalachian’s attorneys is stated at the end of this Petition.

During its 2024 Session, the Virginia General Assembly enacted Chapters 715, 716, 763, and 765 of the 2024 Virginia Acts of Assembly. These Acts amended the Code of Virginia (“Code”) by revising § 56-594.3 and adding a section numbered § 56-594.4, effective July 1, 2024. Code § 56-594.3 is applicable to Virginia Electric and Power Company. Code § 56-594.4 is applicable to the Company and requires the Commission to "establish by regulation a shared

solar program that complies with the provisions of subsections B, C, D, and E by January 1, 2025, and shall require each utility to file any tariffs, agreements, or forms necessary for implementation of the program by July 1, 2025."

On November 25, 2024, in Case No. PUR-2024-00122, the Commission issued an Order Adopting Regulations under Code §§ 56-594.3 and 56-594.4. On December 12, 2024, the Coalition for Community Solar Access filed a Petition for Reconsideration and Clarification. The next day, the Commission issued an Order Granting Reconsideration that: (1) continued jurisdiction over this matter to consider the Petition; and (2) suspended the Order Adopting Regulations pending the Commission's reconsideration. Concurrently with the February 10th Order, the Commission issued an Order on Reconsideration in Case No. PUR-2024-00122, which unsuspends the Order Adopting Regulations, finalizing the new shared solar rules effective February 14, 2025.

Pursuant to Code § 56-594.4, the Commission must establish a minimum bill for Appalachian, which shall include:

the costs of all utility infrastructure and services used to provide electric service and administrative costs of the shared solar program. The Commission may modify the minimum bill over time. In establishing the minimum bill, the Commission shall (i) consider further costs the Commission deems relevant to ensure subscribing customers pay a fair share of the costs of providing electric services, (ii) minimize the costs shifted to customers not in a shared solar program, and (iii) calculate the benefits of shared solar to the electric grid and to the Commonwealth and deduct such benefits from other costs.

The purpose of this proceeding is to, among other things, assist the Commission in determining an appropriate minimum bill based on these factors.

In its February 10th Order, the Commission docketed this proceeding and directed the Company to file its proposed minimum bill for shared solar programs by April 1, 2025. The Commission further directed the Company to address:

- The costs of all utility infrastructure and services used to provide electric service;
- The administrative costs necessary for operation of the shared solar program;
- Any other costs necessary to ensure subscribing customers (“Subscribers”) pay a fair share of the costs of providing electric services;
- A quantification of the benefits of shared solar to the electric grid and to the Commonwealth; and
- An explanation of how the minimum bill proposed ensures that the costs shifted to customers not in a shared solar program are minimized.

As discussed in more detail below, the Petition and supporting testimony address each of these issues, collectively the “Required Minimum Bill Considerations.”

II. WITNESSES IN SUPPORT OF PETITION

The following witnesses submit testimony in support of the Petition:

- ***William K. Castle***, Director of Regulatory Services-VA/TN for Appalachian. Mr. Castle’s testimony describes the methodology adopted to calculate the proposed minimum bill, including a description of the elements of the minimum bill and the quantification of the benefits to the grid and the Commonwealth of a shared solar facility.
- ***Nicole M. Coon***, Regulatory Consultant Principal for American Electric Power Service Corporation (“AEPSC”). Ms. Coon supports the Company’s proposed minimum bill. Her testimony describes the line items on the proposed minimum bill and supports the calculations of the benefit credits of the proposed minimum bill.
- ***Hallie L. Long***, Regulatory Consultant Senior for Appalachian. Ms. Long sponsors the associated tariffs and agreements necessary to implement the Company’s shared solar program.

III. REQUIRED MINIMUM BILL CONSIDERATIONS

As discussed in more detail below, the Company addresses each of the Required Minimum Bill Considerations in this Petition and supporting direct testimony.

A. Associated Costs

As described by Company witnesses Castle and Coon, the Company followed the Commission-approved methodology in Case No. PUR-2020-00125, except Base Transmission Charges were excluded as they are not a part of the Company's tariffs. In that proceeding, the Commission found that the minimum bill should include "fixed and volumetric costs. The fixed costs shall include the Customer Charge and the Administrative Charge. The volumetric costs shall include: (1) Statutorily Non-Bypassable Generation Charges; (2) Base Distribution Charges; (3) Distribution RAC Charges; (4) Base Transmission Charges; and (5) Transmission RAC charges."¹ At this time, the Company has not yet developed an administrative cost for the shared solar program. As described by Mr. Castle, the Company is currently in the process of determining the necessary work to reprogram its customer information and billing systems to accommodate the shared solar program. Therefore, the Company proposes to adopt the \$1 charge approved in Case No. PUR-2020-00125 until it has gathered sufficient information and experience to justify a different amount.

As described in Ms. Coon's testimony, the fixed costs in the minimum bill include the customer charge from the applicable tariff under which the Subscriber takes service and the fixed monthly \$1 administrative charge mentioned above. The minimum bill also includes five Non-Bypassable charges: Rider Percentage of Income Payment Program (PIPP), Rider Broadband Capacity (BC) Rate Adjustment Clause (RAC), Rider RPS Compliance A.5, Rider PCAP Capacity A.5, and Rider Renewables Capacity A.6, which are statutorily mandated. Additionally, the minimum bill comprises base distribution charges from the applicable tariff, including the Rider Energy Efficiency RAC, and the Company's Transmission RAC for transmission charges.

¹*Ex Parte: In the matter of establishing regulations for a shared solar program pursuant to § 56-594.5 of the Code of Virginia*, Case No. PUR-2020-00125, Final Order (July 7, 2022).

Based on these costs, prior to the consideration of benefits, the gross minimum bill equals \$89.25 for a customer who uses 1,000 kWh of grid electricity per month and subscribes for the same amount. The Company quantified the benefits to the electric grid and the Commonwealth as instructed by the February 10th Order (discussed below) and determined them to be \$40.59 per 1,000 kWh. The resultant minimum bill the Company proposes is \$48.66 per 1,000 kWh.

B. Benefits of Shared Solar to the Grid and Commonwealth

The Company calculated benefits similarly to how the benefits of utility-scale, distribution-interconnected solar facilities have been presented to and approved by the Commission. As described by Witness Coon, the Company includes credits for shifted PJM zonal transmission costs, avoided load-based ancillary service costs, and Renewable Energy Certificates (“RECs”) generated by the shared solar facilities, which will be used to comply with the Company’s Renewable Energy Portfolio Standard (“RPS”) obligations under the Virginia Clean Economy Act.

The REC credit on the minimum bill is that used in the renewable energy premium charge in Optional Rider W.W.S. for the applicable Subscriber’s schedule. Mr. Castle explains that REC credit embodies several benefits that are difficult to quantify separately, such as carbon-free energy, workforce development, and “energy independence.” Attributing separate values to these items in addition to the REC value would double-count those benefits.

Relatedly, Mr. Castle explains that, based on his understanding, Subscriber Organizations (or solar project developers) would be eligible for federal investment tax credits (“ITCs”) that can range between 30% - 40% of the installed cost of the solar facility. These tax credits are funded by taxpayers, including Appalachian’s customers. Accordingly, those attributes of solar energy that are distinguishable from conventional energy resources, as well as non-power

attributes that are shared with other types of renewable and conventional energy resources like economic development and “energy independence,” are being encouraged by tax policy. Thus, the owners of solar facilities eligible for the ITC are already compensated for those attributes.

For the shifted transmission and ancillary services credit on the minimum bill, the Company proposes to use the avoided cost rates for transmission and ancillary services that were calculated and proposed in the Company’s current net metering case, Case No. PUR-2024-00161 (“Net Metering Case”). It should be noted that these rates are subject to change based upon the final ruling or updates made in the Net Metering Case. Witness Coon describes how the Company calculated these credits in the Net Metering Case in her testimony.

With respect to the transmission credit, a customer-generator provides an avoided transmission cost benefit to the Company by generating electricity, which reduces the Company’s load during the 12 coincident monthly peaks used to allocate PJM zonal transmission costs under the FERC-approved American Electric Power (“AEP”) Transmission Agreement. This also applies to the single highest peak that allocates PJM zonal transmission costs to AEP load-serving entities within the AEP transmission zone. The Company calculated this benefit by comparing the average hourly monthly load profile of a typical residential customer with the average hourly generation profile of an 8.25 kWac/9.89 kWdc solar array using the PVWatts® model. Excess energy produced by the solar array that exceeds the customer-generator’s usage is considered excess generation. By averaging the hourly excess generation coinciding with the Company’s 2021, 2022, and 2023 Network Service Peak Load (“NSPL”), the Company calculated an average 0.39 kW reduction in its peak load.

Using PJM’s transmission-related costs from July 2023 to June 2024, the Company developed an average avoided transmission credit component based on the Annual Network

Integration Transmission (“NITS”) Rates for the AEP Transmission Zone. This annual avoided transmission cost credit was divided by the total net excess generation to produce the credit rate. As noted by Witness Coon, the term “avoided” transmission costs actually refers to costs that are shifted from the Company to other load-serving entities within the AEP transmission zone, representing fixed infrastructure costs that are associated with zonal transmission service and are not reduced from a total revenue requirement standpoint when peaks are reduced.

For the ancillary services credit, when a customer-generator exports electricity to the distribution system, it reduces certain load-based PJM ancillary service charges assessed to the Company. The Company based its proposed ancillary service cost component rate on its actual 2023 PJM Ancillary Services charges.

C. Minimizing Cost Shifts

Appalachian’s proposed minimum bill excludes the avoided costs for energy and capacity identified in the Net Metering Case because these benefits are already provided to shared solar Subscribers through the bill credit. Ms. Coon explains that if these credits were included, it would result in a minimum bill of \$9.96 as opposed to the proposed minimum bill of \$48.66. The resultant \$9.96 minimum bill is approximately \$1 more per month than the combined customer and administrative charges. The \$9.96 minimum bill would prevent the Company from recovering the full costs of providing electric services, thereby shifting costs to non-participating customers. Accordingly, as supported by the Company witnesses’ testimonies, the proposed \$48.66 minimum bill minimizes cost shifts to non-participating customers by appropriately compensating Subscribers for the benefits provided by shared solar facilities while ensuring those Subscribers contribute their fair share towards the Company’s cost of providing retail electric service.

IV. APPROVAL OF TARIFFS AND AGREEMENTS NECESSARY TO IMPLEMENT THE SHARED SOLAR PROGRAM

Ms. Long sponsors and discusses the Company's proposed Subscriber Tariff (Schedule SSP-S), Subscriber Organization Tariff (Schedule SSP-SO), Subscriber Organization Coordination Agreement, and Subscriber Organization Registration Agreement. The proposed Subscriber Organization Coordination Agreement and Registration Agreement are intended to streamline the registration process and provide the Company a methodical way to track the required Subscriber Organization information. Once approved, and when registration becomes available, these forms and the proposed tariff sheets will be available on the Company's website.

WHEREFORE, Appalachian respectfully requests that the Commission approve its proposed minimum bill, Schedule SSP-S, Schedule SSP-SO, Subscriber Organization Coordination Agreement, and Subscriber Organization Registration Agreement.

Respectfully submitted,

APPALACHIAN POWER COMPANY

By  _____

April 1, 2025

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CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of April 2025, a true copy of the foregoing Petition of Appalachian Power Company was emailed to the following:

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APCo Exhibit No. _____

Witness: NMC

**DIRECT TESTIMONY OF
NICOLE M. COON
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

SUMMARY OF DIRECT TESTIMONY OF NICOLE M. COON

In my testimony, I

- Describe and present the elements of the minimum bill; and
- Describe the calculation of the benefit credits included on the minimum bill.

**DIRECT TESTIMONY OF
NICOLE M. COON
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND PRESENT**
2 **POSITION.**

3 A. My name is Nicole M. Coon. I am employed by American Electric Power Service
4 Corporation (AEPSC) as a Regulatory Consultant Principal. My business address is 1
5 Riverside Plaza, Columbus, Ohio 43215. AEPSC is a wholly-owned subsidiary of
6 American Electric Power (AEP), the parent company of Appalachian Power Company
7 (APCo or the Company).

8 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
9 **PROFESSIONAL EXPERIENCE.**

10 A. I graduated from The Ohio State University with a Bachelor of Science degree in
11 Business Administration majoring in Accounting and minoring in Communications in
12 2018. I obtained my Certified Public Accountant license in 2018 and am licensed in the
13 state of Ohio. Prior to joining AEPSC I worked for a regional public accounting firm
14 where I performed various financial audits of companies and prepared tax returns for
15 individuals and businesses. In 2019, I joined AEPSC as a Strategic Initiatives Associate
16 in the Strategy and Transformation Operations Group. I later became a Strategic
17 Initiatives Associate Senior, where I was responsible for internal and external business
18 valuation, preparing pro forma business and financial plans, performing strategic studies
19 and analyses, and preparing executive council and board-level presentations. In 2022, I

transferred to Regulatory Services to my current position as a Regulatory Consultant Principal.

Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AND RESPONSIBILITIES AS REGULATORY CONSULTANT PRINCIPAL.

A. My responsibilities include the preparation of cost-of-service analyses, rate design, special contracts, and generation analysis for the AEP System operating company. I assist APCo and other AEP electric utility operating companies in the preparation of filings before the Commission and other public service commissions under whose jurisdiction the Company provides electric service.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE ANY REGULATORY AGENCIES?

A. Yes. I have sponsored testimony on behalf of the Company before this Commission in Case Nos. PUR-2023-00212 and PUR-2024-00161, and before the Kentucky Public Service Commission in Case No. 2024-00243.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to present the minimum bill, describe the line items included on the minimum bill, and describe how the benefit credits of the minimum bill were calculated.

I. BACKGROUND OF SHARED SOLAR MINIMUM BILLS

Q. PLEASE PROVIDE A BRIEF OVERVIEW OF WHY THE COMPANY IS ESTABLISHING A MINIMUM BILL FOR SHARED SOLAR.

A. Pursuant to Virginia Code § 56-594.4 D, the Commission initiated a case, PUR-2025-00028, directing the Company to file a proposed minimum bill in relation to establishing

1 a shared solar program. The minimum bill for the Company shall:

2 include the costs of all utility infrastructure and services used to provide electric
3 service and administrative costs of the shared solar program. The Commission
4 may modify the minimum bill over time. In establishing the minimum bill, the
5 Commission shall (i) consider further costs the Commission deems relevant to
6 ensure subscribing customers pay a fair share of the costs of providing electric
7 services, (ii) minimize the costs shifted to customers not in a shared solar
8 program, and (iii) calculate the benefits of shared solar to the electric grid and to
9 the Commonwealth and deduct such benefits from other costs.

10 **II. MINIMUM BILL CALCULATION**

11 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY'S MINIMUM BILL**
12 **CALCULATION.**

13 A. The Company is following the methodology from Case No. PUR-2020-00125 in regards
14 to fixed and volumetric cost charges, except for Base Transmission Charges, which are
15 not a part of the Company's tariffs. In addition, the Company is applying three benefits
16 as credits (Benefit Credits) to deduct from the other costs: (1) Shifted Transmission
17 Credit; (2) Ancillary Services Credit; and (3) Renewable Energy Certificate (REC)
18 Credit. The minimum bill volumetric charges are based on the lesser of the shared solar
19 subscriber's usage or allocated subscription amount for the previous month. The credit
20 elements are applied to the subscription amount. Table 1 shows the minimum bill for a
21 residential subscriber that consumes and subscribes for 1,000 kWh per month. The
22 amounts in Table 1 will fluctuate with the rate that is in effect at the time for that charge.

1

Table 1

Residential			Usage kWh	1,000
Charge Type	Charge name	Amount	Unit	Total Charge
Cust Charge	Cust Charge	\$ 7.96	Fixed	\$ 7.96
Non-Bypassable Charges	Rider PIPP	\$ 0.00132	kWh	\$ 1.32
	Rider BC RAC	\$ 0.00059	kWh	\$ 0.59
	Rider A.5 RPS RAC	\$ 0.00103	kWh	\$ 1.03
	Rider PCAP RAC	\$ 0.00013	kWh	\$ 0.13
	Rider A.6 RPS RAC	\$ 0.00011	kWh	\$ 0.11
Base Distribution Charge	Energy Distribution	\$ 0.03828	kWh	\$ 38.28
Distribution RAC Charge	Rider EE RAC	\$ 0.00237	kWh	\$ 2.37
Trans. RAC Chgs.	Rider T.RAC	\$ 0.03646	kWh	\$ 36.46
Benefit Credits	Shifted Transmission Credit	\$ (0.00720)	kWh	\$ (7.20)
	Ancillary Service Credit	\$ (0.00150)	kWh	\$ (1.50)
	REC Credit	\$ (0.03189)	kWh	\$ (31.89)
Admin Charge	Admin. Charge	\$ 1.00	Fixed	\$ 1.00
		Total		\$ 48.66

2 **Q. PLEASE DESCRIBE THE FIXED COSTS INCLUDED IN THE MINIMUM**
3 **BILL.**

4 A. The fixed costs include the customer charge from the applicable tariff under which the
5 subscribing customer takes service and a fixed monthly \$1 administrative charge. This
6 administrative cost is based off the cost included in the approved minimum bill in PUR-
7 2020-00125. At this time, the Company does not yet fully understand how much it will
8 cost to implement and run the shared solar program, as described by Company witness
9 Castle.

10 **Q. WHAT NON-BYPASSABLE CHARGES ARE INCLUDED IN THE MINIMUM**
11 **BILL?**

12 A. There are five Non-Bypassable charges that the Company identified. This includes Rider
13 Percentage of Income Payment Program (PIPP), Rider Broadband Capacity (BC) Rate
14 Adjustment Clause (RAC), Rider RPS Compliance A.5, Rider PCAP Capacity A.5, and

1 Rider Renewables Capacity A.6. The Company understands these charges to be
2 statutorily mandated subject to specified exceptions and is not aware of any such
3 exceptions for shared solar program participants.

4 **Q. WHAT DISTRIBUTION AND TRANSMISSION CHARGES ARE INCLUDED IN**
5 **THE MINIMUM BILL?**

6 A. Base distribution charges are sourced from the applicable tariff under which the
7 subscribing customer takes service. The Company also included the Rider Energy
8 Efficiency RAC. The transmission charge is the Company's Transmission RAC.

9 **III. CALCULATION OF BENEFIT CREDITS**

10 **Q. HOW DID THE COMPANY DETERMINE WHAT BENEFITS TO INCLUDE IN**
11 **THE CALCULATION?**

12 A. As discussed by Company witness Castle, the shared solar facilities are connected at the
13 distribution level and are similar to facilities the Company contracts for or with to comply
14 with the Virginia Clean Economy Act (VCEA). Accordingly, the Company calculated
15 benefits similar to the way the benefits of the utility scale, distribution-interconnected
16 solar facilities have been presented to, and approved by, the Commission. The Company
17 is including a credit for shifted PJM zonal transmission costs, avoided load based
18 ancillary service costs, and a credit for the RECs that will be generated by the shared
19 solar facilities and transferred to the Company for use in complying with the Company's
20 RPS obligations under the VCEA.

Q. WHAT IS THE BASIS FOR THE REC CREDIT ON THE MINIMUM BILL?

A. The Company is proposing to use the renewable energy premium charge in Optional Rider W.W.S. for the applicable subscriber's schedule as the credit to be applied for the RECs generated.

Q. WHAT IS THE BASIS FOR THE SHIFTED TRANSMISSION AND ANCILLIARY SERVICES CREDIT ON THE MINIMUM BILL?

A. The Company is proposing to use the avoided cost rates for transmission and ancillary services that were calculated in the Company's current net metering case, Case No. PUR-2024-00161 (Net Metering Case). It should be noted that these rates are subject to change based upon the final ruling or updates made in the Net Metering Case. Table 2 below shows the varying rates by customer and voltage level.

Table 2

Customer	Voltage Level	Transmission	Ancillary Service
Residential	Secondary	\$0.0072	\$0.00150
Commercial, Industrial	Secondary	\$0.0064	\$0.00150
Commercial, Industrial	Primary	\$0.0061	\$0.00144
Commercial, Industrial	Sub-Transmission	\$0.0060	\$0.00142
Commercial, Industrial	Transmission	\$0.0059	\$0.00140

1 **Q. HOW DID THE COMPANY CALCULATE THE TRANSMISSION CREDIT FOR**
2 **A RESIDENTIAL CUSTOMER IN THE NET METERING CASE?**

3 A. A customer-generator provides an avoided transmission cost benefit to the Company
4 when it generates electricity, reducing the Company's load during the 12 coincident
5 monthly peaks used to allocated PJM zonal transmission costs to the Company under the
6 FERC-approved AEP Transmission Agreement. The same is true for the single highest
7 peak that allocates PJM zonal transmission costs to the AEP load serving entities within
8 the AEP transmission zone. The Company took the average hourly monthly load profile
9 of a typical residential customer and reduced it by the average hourly generation profile
10 of an 8.25 kWac/9.89 kWdc solar array using the PVWatts® model. All hourly excess
11 energy (energy produced by the solar array that exceeded the customer-generator's
12 electric usage) was considered excess generation or metered output delivered to the
13 Company. The Company took the average of the hourly excess generation delivered to
14 the Company that coincides with the with the Company's 2021, 2022 and 2023 Network
15 Service Peak Load (NSPL) and calculated an average 0.39 kW reduction in the
16 Company's peak load. The Company used PJM's transmission-related costs during the
17 12-month period from July 2023 through June 2024 to develop an average avoided
18 transmission credit component. The Company used the Annual Network Integration
19 Transmission (NITS) Rates for the AEP Transmission Zone, which represents its avoided
20 cost for transmission, to determine an annual avoided transmission cost credit. The
21 annual avoided transmission cost credit was divided by the total net excess generation to
22 produce the annual avoided transmission cost credit rate. Importantly, I am referring to
23 these transmission costs as "avoided" when they are in fact shifted costs. They are being

1 avoided by the Company and recovered from other load serving entities within the AEP
2 transmission zone. They are the fixed infrastructure costs associated with zonal
3 transmission service and are not reduced from a total revenue requirement standpoint
4 when peaks are reduced.

5 **Q. WHAT IS THE BASIS FOR THE COMPANY'S PROPOSED ANCILLARY**
6 **SERVICE COST COMPONENT RATE?**

7 A. Ancillary services are required to help balance and maintain reliability on the
8 transmission system as electricity moves from generating sources to ultimate consumers.
9 When a customer-generator exports electricity to the distribution system, it reduces
10 certain load-based PJM ancillary service charges assessed to the Company. The
11 Company used its actual 2023 PJM Ancillary Services charges as the basis for the
12 ancillary service cost component rate.

13 **Q. WERE THERE OTHER AVOIDED COSTS CALCULATED FOR NET**
14 **METERING CUSTOMERS IN THE NET METERING CASE?**

15 A. Yes. The Net Metering Case also calculated an avoided cost for energy and capacity. As
16 described by Company witness Castle, the Company is not including these credits in the
17 minimum bill because these benefits are adequately conveyed to a shared solar subscriber
18 via the bill credit.

19 **Q. WHAT ARE THE AVOIDED COSTS RATES PROPOSED IN THE NET**
20 **METERING CASE FOR ENERGY AND CAPACITY?**

21 A. The proposed avoided energy cost credit for a residential customer is \$.0372/kWh, and
22 the proposed avoided capacity credit is \$0.0015.

1 **Q. WHAT WOULD BE THE IMPACT ON THE MINIMUM BILL FOR A 1,000**
2 **KWH RESIDENTIAL CUSTOMER IF THESE CREDITS WERE INCLUDED?**

3 A. This would result in a minimum bill of \$9.96 instead of the proposed minimum bill
4 amount of \$48.66. This is roughly only \$1 more per month than the customer charge and
5 the administrative charge and \$6 less than the amount that Company witness Castle
6 calculates for a customer bill with the energy credit applied. This illustrates that
7 including these credits on the minimum bill would lead to the Company not recovering
8 costs to ensure subscribing customers pay a fair share of the costs of providing electric
9 services and would shift costs to non-participating customers.

10 **Q. WAS A SIMILAR PROCESS PERFORMED TO DETERMINE THE AVOIDED**
11 **COST RATES FOR COMMERCIAL AND INDUSTRIAL CUSTOMERS IN THE**
12 **NET METERING CASE?**

13 A. Yes. The Company performed the same exact analysis as described for a residential net
14 metering customer above but used different typical profiles for customers and solar arrays.

15 **Q. DOES THE PROPOSED MINIMUM BILL ENSURE SUBSCRIBING**
16 **CUSTOMERS PAY A FAIR SHARE OF COSTS AND PROVIDE APPROPRIATE**
17 **BENEFITS OF SHARED SOLAR?**

18 A. Yes, it does. As Company witness Castle and I have discussed, the proposed minimum
19 bill will ensure that subscribing customers participating in the shared solar program
20 contribute their fair share towards the Company's cost of retail electric service (which the
21 subscribing customers use every day) and minimizes cost shifts to non-subscribing
22 customers. The minimum bill also compensates subscribing customers for shifted
23 transmission costs, avoided ancillary costs and RECs transferred to the Company.

1 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

2 A. Yes, it does.

APCo Exhibit No. _____

Witness: WKC

**DIRECT TESTIMONY OF
WILLIAM K. CASTLE
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

SUMMARY OF DIRECT TESTIMONY OF WILLIAM K. CASTLE

In my testimony, I

- Calculate a minimum bill of \$48.66 for a 1,000 kWh residential customer whose subscription amount matches their consumption;
- Describe the elements that constitute the minimum bill; and
- Quantify the benefits to the grid and Commonwealth of a Shared Solar facility.

**DIRECT TESTIMONY OF
WILLIAM K. CASTLE
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.**

2 A. My name is William K. Castle. I am the Director of Regulatory Services-VA/TN for
3 Appalachian Power Company (APCo or the Company), and my business address is 1051
4 East Cary St., Suite 1100, Richmond, Va. 23219.

5 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
6 **BUSINESS EXPERIENCE.**

7 A. I earned a Bachelor of Science degree in Mechanical Engineering from Tulane University
8 in 1988, and a Masters of Business Administration degree from the University of Texas –
9 Austin in 1998. I hold the Chartered Financial Analyst (CFA) designation. I served in
10 the U.S. Navy from 1988-1996. I have worked in the utility industry since 1998,
11 beginning with the Columbia Energy Group, Herndon, Virginia, where I held positions in
12 financial planning and corporate finance. Subsequent to the acquisition of Columbia
13 Energy Group by Merrillville, Indiana-based NiSource in 2000, I performed financial
14 planning and analysis functions. In 2004 I was employed by AEPSC in the Resource
15 Planning group. In 2014, I accepted my current position.

16 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY AS A WITNESS**
17 **BEFORE ANY REGULATORY COMMISSION?**

18 A. Yes. I have presented testimony on behalf of APCo before the Commission in several
19 proceedings, most recently in Cases No. PUR-2024-00024 and PUR-2024-00161. I have
20 also presented testimony for AEP Affiliates Kingsport Power, Indiana Michigan Power,
21 Public Service Company of Oklahoma, AEP Ohio, and Southwestern Electric Power

1 Company. I have testified in the states of Ohio, Oklahoma, Indiana, West Virginia,
2 Arkansas, Tennessee, and Virginia.

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

4 A. I summarize the Company's filing and support the elements of the minimum bill as well
5 as the benefits to the electric grid and Commonwealth.

6 **Q. PLEASE SUMMARIZE THE COMPANY'S FILING.**

7 A. Pursuant to the Commission's Order Initiating Proceedings (the Order), the Company
8 provides the Commission with its minimum bill proposal and Shared Solar tariff sheets.
9 Consistent with the Order, the Company has included:

- 10 • The costs of all utility infrastructure and services used to provide electric service;
- 11 • The administrative costs necessary for operation of the shared solar program;
- 12 • Other costs necessary to ensure subscribing customers pay a fair share of the costs
13 of providing electric services;
- 14 • A quantification of the benefits of shared solar to the grid and to the
15 Commonwealth; and
- 16 • An explanation of how the minimum bill proposed ensures that the costs shifted
17 to customers not in a shared solar program are minimized.

18 Company witnesses Long and Coon support the Company's Shared Solar tariff sheets
19 and minimum bill cost and benefit calculations, respectively.

20 **Q. HAS THE COMMISSION PREVIOUSLY APPROVED A MINIMUM BILL**
21 **METHODOLOGY FOR SHARED SOLAR?**

22 A. Yes. In Case No. PUR-2020-00125, Virginia Electric and Power Company (Dominion
23 Energy) established a shared solar program, and the Commission approved a minimum
24 bill methodology for the program.

1 **Q. WHAT COSTS DID THE COMMISSION FIND SHOULD BE INCLUDED IN**
2 **THE MINIMUM BILL CALCULATION IN CASE NO. PUR-2020-00125?**

3 A. The Commission found that the minimum bill should include both “fixed and volumetric
4 costs. The fixed costs shall include the Customer Charge and the Administrative Charge.
5 The volumetric costs shall include: (1) Statutorily Non-Bypassable Generation Charges;
6 (2) Base Distribution Charges; (3) Distribution RAC Charges; (4) Base Transmission
7 Charges; and (5) Transmission RAC charges.”¹

8 **Q. WHAT IS THE COMPANY’S PROPOSED MINIMUM BILL?**

9 A. For a residential customer using 1,000 kWh of grid electricity per month and subscribing
10 to 1,000 kWh per month, the proposed minimum bill is \$48.66. The minimum bill for
11 commercial and industrial shared solar customers varies by their applicable rate schedule.
12 A breakdown of the minimum bill can be found in Company witness Coon’s direct
13 testimony.

14 **Q. HOW DID THE COMPANY CALCULATE THIS BILL?**

15 A. The Company followed the methodology approved by the Commission in Case No. PUR-
16 2020-00125 to calculate the minimum bills, prior to the consideration of “benefits of
17 shared solar to the electric grid and to the Commonwealth.” That (gross) minimum bill
18 equals \$89.25 for a customer who uses 1,000 kWh of grid electricity per month and
19 subscribes for the same amount. The Company then quantified the benefits to the electric
20 grid and the Commonwealth and determined them to be \$40.59 per 1,000 kWh. The
21 resultant minimum bill the Company proposes is \$48.66 per 1,000 kWh.

22 **Q. WHAT ARE THE ELEMENTS OF THE MINIMUM BILL EXCLUSIVE OF THE**
23 **BENEFITS?**

1 A. Consistent with the approved methodology, the elements of the minimum bill include
2 distribution costs, transmission costs, and non-bypassable charges.

3 **Q. BRIEFLY DESCRIBE A SHARED SOLAR FACILITY.**

4 A. A shared solar facility has five megawatts (MW) or less of alternating current (AC)
5 generating capacity and is interconnected to the distribution system. To comply with the
6 Virginia Clean Economy Act (VCEA), the Company has purchased or contracted for
7 multiple solar facilities of a similar size also interconnected to the distribution system.
8 Both shared solar facilities and the solar facilities of similar size used for VCEA
9 compliance that are connected to the distribution system are considered to be load
10 reducers.

11 **Q. WHAT ARE THE ELEMENTS OF THE BENEFITS CALCULATION?**

12 A. Consistent with the elements included in the Company's cost analyses of these distribution
13 connected facilities, the benefits to the grid consist of the economic benefit of reducing
14 some of the Company's PJM coincident peaks that determine the allocation of
15 transmission costs and ancillary service costs. Additionally, the Company is proposing to
16 credit subscribers for the value of the renewable energy certificate (REC), discussed
17 below. Company witness Coon describes the calculation of these benefits in further
18 detail in her direct testimony.

19 **Q. ARE THERE GENERATION AVOIDED COSTS (BENEFITS) ASSOCIATED**
20 **WITH A SHARED SOLAR FACILITY?**

21 A. Yes. However, these benefits are adequately conveyed to a shared solar customer via the
22 bill credit. Including these avoided cost benefits as a reduction to the minimum bill would
23 double-count those benefits and undermine the purpose of the minimum bill.

1 **Q. ARE THERE AVOIDED DISTRIBUTION COSTS ASSOCIATED WITH A**
2 **SHARED SOLAR FACILITY?**

3 A. As a rule, in the Company's Virginia service territory, no. The Company's Virginia
4 distribution system as a whole, and approximately three-quarters of its 612 individual
5 distribution circuits, have historical winter all-time peaks. Those peaks occur in the dead
6 of winter, typically before the sun is up, or up enough to provide meaningful insolation.
7 Even if a shared solar facility was constructed on a historically summer-peaking
8 distribution circuit, it does not, as a practical matter, defer distribution investment. This is
9 because the distribution system is planned for the worst case. The worst case discounts
10 the contribution from a third-party generator, whether solar or not, because that generator
11 cannot be absolutely counted on to produce electricity at peak loading times. Finally, of
12 the Company's historically summer-peaking circuits, only two (0.33% of all circuits) are
13 currently near planning limits.¹ Only 14 (2.3% of all circuits) are expected to approach
14 their limits by 2034. Thus, only a small fraction of distribution circuits have even a
15 theoretical, but not a practical, ability to defer distribution investment. For these reasons,
16 the Company does not attribute any benefit of shared solar for deferring distribution
17 infrastructure investment.

18 **Q. DOES THE COMPANY'S PROPOSED MINIMUM BILL ACCOUNT FOR THE**
19 **BENEFITS OF SHARED SOLAR TO THE COMMONWEALTH?**

¹ The Company considers 90% of capacity to be at the planning limit. To be considered "near the planning limit", the Company included circuits that are within 80% of their capacity.

1 A. Yes. The Company is proposing to credit subscribers for the value of the renewable
2 energy certificate (REC) that will be retired as part of the Company's RPS compliance
3 obligation.

4 **Q. WHAT BENEFITS DOES THE REC EMBODY?**

5 A. The REC distinguishes the energy produced by a renewable (solar) resource from other
6 resources and thus is inclusive of many of the less-quantifiable "non-power attributes" of
7 solar resources, such as carbon-free energy, workforce development and "energy
8 independence." This is no different than using only RECs to accomplish the RPS
9 requirements and attendant public policy goals in the VCEA. Attributing discrete value
10 to these and similar items, in addition to the REC value, would be double-counting.

11 **Q. ARE THERE OTHER BENEFITS TO THE COMMONWEALTH OF SHARED**
12 **SOLAR NOT CAPTURED BY THE REC VALUE?**

13 A. There may be, but they are not sufficiently quantifiable, particularly ahead of any actual
14 shared solar projects being constructed in the Company's Virginia service territory, to
15 include as compensation to subscribing customers. These would consist of things such as
16 the value of construction jobs or increases to the tax base of the localities. These same
17 benefits also accrue from the solar facilities that the Company's purchases or contracts
18 from for VCEA compliance purposes, but the Company does not seek to recover such
19 costs from customers.

20 **Q. ARE THERE FEDERAL INCENTIVES AVAILABLE TO THE SUBSCRIBER**
21 **ORGANIZATIONS?**

22 A. It is my understanding that subscriber organizations (or solar project developers) would
23 be eligible for Investment Tax Credits (ITC) that can range between 30-40% of the

1 installed cost of the solar facility. These credits are funded by taxpayers, including the
2 Company's customers. Thus, those attributes of solar energy that are distinguishable
3 from conventional energy resources, as well as non-power attributes that are shared with
4 other types of renewable and conventional energy resources like economic development
5 and "energy independence," are being explicitly encouraged with tax policy. Thus, the
6 owners of solar facilities eligible for the ITC are compensated for those attributes up
7 front.

8 **Q. DID THE COMPANY DEVELOP AN ADMINISTRATIVE COST FOR THE**
9 **SHARED SOLAR PROGRAM?**

10 A. No. The Company is in the process of scoping the work required to reprogram its
11 customer information and billing system to accommodate shared solar. The Company
12 does not yet fully understand the extent of hands-on involvement that administration of
13 the shared solar program will require. For this reason, the Company proposes to adopt
14 the \$1 charge approved in Case No. PUR-2020-00125 until such time that the Company
15 has sufficient information and experience to support a different amount.

16 **Q. WHAT ARE THE TOTAL COSTS AND COMPENSATION OF SHARED SOLAR**
17 **FOR A 1,000 KWH SUBSCRIPTION CUSTOMER?**

18 A. Figure 1 summarizes the compensation and costs that a shared solar subscription
19 customer will realize from APCo t, based on a consumption of 1,000 kWh per month and
20 a 1,000 kWh per month shared solar subscription.

Figure 1. Proposed Subscriber Costs and Credits (1000 kWh Residential)

Subscriber Costs	<u>Generation</u>	<u>Transmission</u>	<u>Distribution</u>	<u>Total</u>
Retail Tariff	86.65	36.46	50.52	173.63
Bill Credit (proportional)	(78.76)	(33.14)	(45.92)	(157.82)
	7.89	3.32	4.60	15.81
<u>Minimum Bill</u>				
Distribution			48.61	48.61
Transmission		36.46		36.46
Non-bypassable Charges	1.27		1.91	3.18
Admin Charge			1.00	1.00
Credits				-
REC's	(31.89)			(31.89)
Shifted Transmission		(7.20)		(7.20)
Ancillary Services		(1.50)		(1.50)
Minimum Bill	(30.62)	27.76	51.52	48.66
Net Subscriber Cost	(22.73)	31.08	56.12	64.47
Subscription Cost to Beat \$/MWh (Retail Tariff - Net Subscriber Cost)			\$	109.16
Low Income Subscription Cost to Beat \$/MWh (Retail Tariff x 90% - Net Subscriber Cost)			\$	91.80

1 Note, to be competitive with APCo's retail rates, a Subscriber Organization merely needs
2 to provide generation at a cost at or below the equivalent of \$109/MWh or \$92/MWh for
3 low-income (levelized). Further, the Company notes that the difference between "Retail
4 Tariff" and "Bill Credit" amounts, reflected in Figure 1, could be positive or negative
5 depending on the direction of rates. As depicted, the current tariff rates are higher than
6 they were on average over 2023, the last year a FERC Form 1 was available. In a steady
7 rate environment, that \$15.81 difference between the "Retail Tariff" and "Bill Credit"
8 amounts will be closer to zero, making the solar subscription generation cost necessary to
9 be competitive with retail rates closer to \$125/MWh (levelized) or \$108/MWh for low
10 income.

11 **Q. HOW DOES THAT COST OF GENERATION COMPARE TO NATIONAL**
12 **LEVELIZED SOLAR COSTS FOR A COMMUNITY SOLAR FACILITY?**

1 A. On a national level, Lazard's 2024 Levelized Cost of Energy study shows a (levelized)
2 cost range including ITC of \$34 - \$157 per MWh for a Community Solar facility.²

3 **Q. HOW ARE THE ELEMENTS OF THE MINIMUM BILL APPLIED?**

4 A. The cost elements of the minimum bill are applied to the lesser of the allocated
5 subscription amount or the subscribing customer's usage. The credit elements are
6 applied to the subscription amount.

7 **Q. DOES THE COMPANY'S PROPOSAL MINIMIZE THE SHIFTING OF COSTS**
8 **TO NON-PARTICIPATING CUSTOMERS?**

9 A. Yes. Generation costs can still be stranded under the Company's proposal. However, the
10 Company has the ability to sell excess capacity in PJM auctions, subject to certain
11 criteria, which at least provides the Company the opportunity to mitigate an over-capacity
12 position. The minimum bill, as proposed, and as approved in prior Commission orders,
13 reasonably addresses distribution and transmission costs. The addition of credits, as
14 required by Code § 56-594.4 D(iii), correctly credits subscribing customers for their
15 RECs which must be retired to meet the Company's RPS obligation, as well as the other
16 "non-power" attributes associated with solar generation facilities. Finally, the proposed
17 credits for transmission acknowledge the reductions to transmission peaks that will shift
18 costs.

19 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

20 A. Yes, it does.

² <https://www.lazard.com/media/xemfey0k/lazards-lcoeplus-june-2024-vf.pdf> See page 10 of the presentation.

APCo Exhibit No. _____

Witness: HLL

**DIRECT TESTIMONY OF
HALLIE L. LONG
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

SUMMARY OF DIRECT TESTIMONY OF HALLIE L. LONG

In my direct testimony, I

- Sponsor the Company's proposed tariff sheets, registration agreement, and coordination agreement for the Shared Solar Program.

**DIRECT TESTIMONY OF
HALLIE L. LONG
FOR APPALACHIAN POWER COMPANY
IN VIRGINIA S.C.C. CASE NO. PUR-2025-00028**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.**

2 A. My name is Hallie L. Long. My business address is Three James Center, Suite 1100,
3 1051 East Cary Street, Richmond, Virginia 23219. I am employed by Appalachian
4 Power Company (APCo or the Company) as a Regulatory Consultant Senior VA/TN.

5 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
6 **BUSINESS EXPERIENCE.**

7 A. I received my Bachelor of Arts from the University of Virginia in 2016, with a
8 concentration in Foreign Affairs. From 2016 to 2018 I worked as a paralegal at a small
9 criminal and family law firm in Charlottesville, Virginia. From 2018 to 2022 I worked as
10 a Legal Support Assistant, and later as an Energy Regulatory Paralegal, at Hunton
11 Andrews Kurth. I supported the Energy and Infrastructure team in the representation of
12 utility companies, electric cooperatives, and system operators. I assisted with drafting
13 and filing documents in proceedings before state and federal regulatory commissions and
14 conducted legal research on market design and energy policy. In June 2022, I accepted
15 the position of Regulatory Consultant with APCo. In March 2025, I was promoted to
16 Regulatory Consultant Senior.

17 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

18 A. Yes. I have presented testimony on behalf of APCo before the Commission, most
19 recently in Case Nos. PUR-2023-00212, PUR-2024-00001, and PUR-2024-00024.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 A. In accordance with § 56-595.4 (Shared Solar Legislation), APCo is establishing a Shared
3 Solar program for customers. I am sponsoring the Company's proposed tariff provisions
4 and agreements necessary to implement the Shared Solar program. I am also sponsoring
5 the proposed: (1) One-time Set-up Charge; and (2) Monthly Administrative Charge for
6 Subscriber Organizations and the supporting workpapers.

7 **Q. ARE YOU SPONSORING ANY EXHIBITS IN THIS PROCEEDING?**

8 A. Yes. I sponsor:

- 9 • APCo Exhibit No. ____ (HLL) Schedule 1 – Subscriber Tariff
- 10 • APCo Exhibit No. ____ (HLL) Schedule 2 – Subscriber Organization Tariff
- 11 • APCo Exhibit No. ____ (HLL) Schedule 3 – Subscriber Organization Coordination
- 12 Agreement
- 13 • APCo Exhibit No. ____ (HLL) Schedule 4 – Subscriber Organization Registration
- 14 Agreement
- 15 • APCo Exhibit No. ____ (HLL) Schedule 5 – Subscriber Organization Charges
- 16 Workpaper

17 **Q. PLEASE DESCRIBE THE PURPOSE OF THESE DOCUMENTS.**

18 A. Pursuant to the Shared Solar Legislation and the Commission's authorization thereunder,
19 the Company will begin accepting Subscriber Organization registrations on July 1, 2025.
20 The proposed Registration Agreement and Coordination Agreement are intended to
21 streamline the registration process and allow the Company a methodical way to track the
22 required Subscriber Organization information. These forms will be available for
23 download on the Company's website when registration becomes available. The tariff
24 sheets for both Subscribers and Subscriber Organizations will also be posted and
25 available for download on the Company's website. The proposed tariff sheets summarize

1 the provisions of the Shared Solar Legislation as well as the Company's applicable terms
2 and conditions in the established Standard Tariff No. 28.

3 **Q. WHAT IS THE PURPOSE OF THE PROPOSED ONE-TIME SET-UP CHARGE**
4 **AND MONTHLY CHARGES TO BE PAID BY THE SUBSCRIBER**
5 **ORGANIZATION?**

6 A. These charges are designed to recover, among other things, the review and processing of
7 registration documents, licensure, and credit requirements. The Monthly Administrative
8 Charge is related to processing the subscription information received monthly from the
9 Subscriber Organization, as well as creating the monthly report of accumulated bill
10 credits not allocated to a Subscriber in a given month.

11 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

12 A. Yes, it does.

VA. S.C.C. TARIFF NO. 28

APCo Exhibit No. _____

Witness: HLL

Schedule 1

**SCHEDULE SSP-S
(Shared Solar Program – Subscriber)****AVAILABILITY OF SERVICE**

Available on a voluntary basis as a rate schedule to a customer (1) that receives Standard Service from the Company and (2) owns one or more Subscription(s) of a Shared Solar Facility that is interconnected with the Company.

The terms “Subscriber,” “Subscription,” “Subscriber Organization,” and “Shared Solar Facility” are defined in accordance with the Rules Governing Shared Solar Program. These terms can be found at the following location:

<https://law.lis.virginia.gov/vacode/title56/chapter23/section56-594.4/>

METERING

A Shared Solar Facility must have a utility-provided meter capable of measuring output of the facility on a 30-minute interval basis.

BILLING AND PAYMENT

Subscribers that receive Standard Service from the Company and enter into a Subscription with a Subscriber Organization to participate in the Shared Solar Program will be billed as follows:

1. The Company shall continue to bill the Customer in accordance with the applicable Standard Tariff Schedule. In addition, the Company shall apply the monthly credits and charges under this Schedule to the Customer’s Account.
2. A monthly Bill Credit will be applied to each Subscriber account. The Subscribed kWh for each Subscriber in a given month will be multiplied by the below Applicable Bill Credit Rate for the month of generation. Credits to Subscriber bills will occur within two billing cycles following the cycle in which energy was generated by the Shared Solar Facility.

Bill Credit Rate

a.	Residential Customer	All Subscribed kWh x	15.782 ¢ per kWh
b.	Commercial Customer	All Subscribed kWh x	12.730 ¢ per kWh
c.	Industrial Customer	All Subscribed kWh x	9.687 ¢ per kWh

3. The Subscriber Organization shall separately bill the Subscribing Customer with any applicable fee associated with the Shared Solar subscription.

MINIMUM CHARGE

1. A Subscription must be sized such that the estimated monthly Bill Credits do not exceed the Subscriber’s average annual bill over the past twelve (12) months for the Customer account to which the Subscription is attributed
2. A monthly Minimum Bill Charge related to the Subscription is applied to each Subscriber account based upon that month’s Subscribed kWh or usage, whichever is less. The Minimum Bill Charge is the sum of the below:
 - a. The Customer’s Standard Schedule basic customer charge; plus
 - b. The Program Administrative Charge @ \$1.00 per month; plus

Issued: December 11, 2024

Effective: July1, 2025

Pursuant to Final Order

Dated: November 20, 2024

Case PUR-2024-00122

VA. S.C.C. TARIFF NO. 28

APCo Exhibit No. _____

Witness: HLL

Schedule 1

SCHEDULE SSP-S

(continued)

- c. The Subscribed kilowatt hours of generation are multiplied by each of the following charges pursuant to the Standard Tariff:
- i. Base Distribution Charges; plus
 - ii. Distribution Rider Charges; plus
 - iii. Transmission Rider Charges; plus
 - iv. Non-Bypassable Generation Charges.
 - v. Benefit Credits
 1. Shifted Transmission Credit
 2. Ancillary Services Credit
 3. Renewable Energy Certificate Credit

SPECIAL TERMS AND CONDITIONS

This Schedule is subject to the Company's Terms and Conditions of Standard Service

Issued: April 1, 2025

Pursuant to Order on Reconsideration

Dated: February 10, 2025

Case PUR-2024-00122

Effective: July 1, 2025

VA. S.C.C. TARIFF NO. 28

APCo Exhibit No. _____

Witness: HLL

Schedule 2

SCHEDULE SSP-SO
(Shared Solar Program – Subscriber Organization)**AVAILABILITY OF SERVICE**

Available as rate schedule to a Subscriber Organization that holds an active Subscriber Organization license from the State Corporation Commission, registered with the Company as a qualified Shared Solar Facility as set forth in Virginia Code §56-594.4 and the Rules Governing Shared Solar Program 20 VAC 5-340-10 *et seq.*, and fully executed a Shared Solar Program Subscriber Organization Coordination Agreement.

This rate schedule is available to a Subscriber Organization that fully executes a Small Generator Interconnection Agreement (“SGIA”) for each facility in accordance with Chapter 314 of the Virginia Administrative Code. Chapter 314 is hereby incorporated by reference into this Schedule. Subscriber Organizations proposing to interconnect in parallel operation with the Company’s electric system are also subject to Chapter 314 and to these Terms and Conditions generally. Subscriber Organization facilities may only begin parallel operation, and may only continue parallel operation, so long as all applicable requirements of these Terms and Conditions and of Chapter 314 are satisfied.

The size of the Shared Solar Program shall be 50 megawatts, or 6.0% of peak load, whichever is less. The maximum allowable size of a shared solar facility is not to exceed an accumulative capacity of 5 MW. Access to the Shared Solar Program is available on a first-come, first-serve basis. The terms “Subscriber,” “Subscription,” “Subscriber Organization,” and “Shared Solar Facility” are defined in accordance with the Rules Governing Shared Solar Program. These terms can be found at the following location:

<https://law.lis.virginia.gov/vacode/title56/chapter23/section56-594.4/>.

METERING

A Shared Solar Facility must have a utility-provided meter capable of measuring output of the facility on a 30-minute interval basis.

SUBSCRIBER ORGANIZATION ADMINISTRATION

A Subscriber Organization must maintain all data and information as directed in Virginia Code §56-594.4 and the Rules Governing Shared Solar Program, 20 VAC 5-340-10 *et al.* of the Virginia Administrative Code. A Subscriber Organization is responsible for providing timely and accurate information about Subscriptions to the Company. Subscriptions may not take effect retroactively.

A licensed Subscriber Organization must register with the Company pursuant to the rules outlined in 20 VAC 5-340-40 of the Virginia Administrative Code.

A Subscriber Organization may apply to have more than one Shared Solar Facility participate in the Shared Solar Program.

Subscriber Organizations may not sell subscriptions totaling more than 100% of the facility’s electrical production.

Subscriber Organizations must ensure net financial savings of at least 10% relative to the subscription fee throughout the life of the subscription for low-income customers.

Issued: December 11, 2024**Effective: July 1, 2025****Pursuant to Final Order****Dated: November 20, 2024****Case PUR-2024-00122**

VA. S.C.C. TARIFF NO. 28

APCo Exhibit No. _____

Witness: HLL

Schedule 2

SCHEDULE SSP-SO

(continued)

SUBSCRIBER ORGANIZATION CHARGES

Billing and payment for Subscriber Organizations taking Electric Service from the Company under this Schedule will be in accordance with the Company's Terms and Conditions of Standard Service. In addition, the Subscriber Organization's account will be billed as follows:

1. One-Time Set-Up Charge

- a. The Subscriber Organization will pay a One-Time Set-Up Charge for each facility to cover, among other things, the registration process, review of licensure and registration documentation, and security deposit requirements.

One-Time Set-Up Charge: \$400

2. Monthly Charges

- a. Each Subscriber Organization Facility selling to Subscribers will be billed a monthly charge as follows to cover the cost of reviewing and sending reporting documents and bill processing.

Monthly Charge: \$60

RENEWABLE ENERGY CREDITS

All environmental attributes associated with a Shared Solar Facility, including Renewable Energy Credits, shall be distributed to the Company to be retired for compliance with the Company's renewable portfolio standard obligations pursuant to §56-585.5 C of the Code of Virginia.

BILLING AND PAYMENT

Subscriber Organizations must provide subscriber information to the utility on a monthly basis in a standard electronic format in accordance with Rules Governing Shared Solar Program 20 VAC 5-340-60.

Subscriber Organizations shall separately bill the subscriber for any applicable portion of the shared solar subscription fee.

The Company will provide the Subscriber Organization with a monthly report indicating the total value of bill credits generated by the Shared Solar facility in the prior month, as well as the amount of the bill credit applied to each subscriber.

Bills are due upon presentation and payable by mail, checkless payment plan, electronic payment plan, or at authorized payment agents of the Company to be received by the Company within twenty (20) days of the bill preparation date. A charge of 1½% per month will be applied to any account balances, excluding local consumer utility taxes, not received by the Company by the next bill preparation date.

TERM

The term of contract for this Schedule is open order and shall commence upon the Subscriber Organization continuing to meet the terms and conditions as described in the Rules Governing Shared Solar Program 20 VAC 5-340-10 *et al.*

SPECIAL TERMS AND CONDITIONS

This Schedule is subject to the Company's Terms and Conditions of Standard Service

Issued: April 1, 2025

Effective: July 1, 2025

Pursuant to Order on Reconsideration

Dated: February 10, 2025

Case PUR-2024-00122

Appalachian Power Company

SHARED SOLAR PROGRAM SUBSCRIBER ORGANIZATION COORDINATION AGREEMENT

Appalachian Power Company
Shared Solar Program Subscriber Coordination Agreement

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Appalachian Power Company
Shared Solar Program Subscriber Coordination Agreement

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Virginia Electric and Power Company
Shared Solar Program Subscriber Organization Coordination Agreement

THIS SHARED SOLAR PROGRAM SUBSCRIBER ORGANIZATION COORDINATION AGREEMENT (the “Agreement”) is made, entered into as of this _____ day of _____, _____, by and between Appalachian Power Company (“Company”), a corporation organized and existing under the laws of the Commonwealth of Virginia and _____ (the “Subscriber Organization” or “SO”), a _____, both the Company and the SO hereinafter sometimes referred to collectively as the “Parties”, or individually as a “Party,” as it relates to the _____ Shared Solar Facility.

RECITALS

A. The Company is a public utility with an exclusive franchise to serve customers located within its service territory.

B. Section 56-594.4 of the Code of Virginia (the “Shared Solar Act”) provides for a program affording eligible Customers of the Company the opportunity to participate in shared solar projects.

C. The State Corporation Commission of Virginia (“Commission”), acting pursuant to the Shared Solar Act, has promulgated the Rules Governing Shared Solar Program, 20 VAC 5-340-10 through 20 VAC 5-340-110 (the “Rules”).

D. In connection with the provision of Electric Service in the Company’s service territory, the SO (i) intends to register one or more solar photovoltaic projects up to 5,000 kilowatt (“kW”) alternating current (“AC”) at any single location, or, in instances of colocation, up to 5,000 kW AC among all facilities at any single location as long as the facilities are owned by the same entity; (ii) will send information relative to the electricity produced by the solar system(s) directly to the Company for the application of Bill Credits to the electricity bills of Subscribers of the Shared Solar Facility(ies); and (iii) has been issued License Number _____ by the State Corporation Commission of Virginia, where applicable.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, and the above Recitals, which are incorporated herein, the Parties hereto, intending to be legally bound, hereby agree as follows:

1.0 PURPOSE

1.1 Shared Solar Program

Pursuant to, and in accordance with the Shared Solar Act, Customers of Appalachian Power Company are afforded the opportunity to participate in shared solar projects (the “Shared Solar Program”).

1.2 Rules Governing Shared Solar Program

Pursuant to the Shared Solar Act, the Commission established by regulation a program that affords eligible Customers of certain investor-owned utilities the opportunity to participate in shared solar projects. On November 25, 2024, in Case No. PUR-2024-00122, the Commission issued an Order Adopting Rules to govern the Shared Solar Program.

2.0 DEFINITIONS

Act – The Virginia Electric Utility Regulation Act.

Applicable Bill Credit Rate – The dollar-per-kilowatt-hour rate used to calculate a Subscriber's Bill Credit.

Bill Credit – The monetary value of the electricity, in kilowatt-hours, generated by the Shared Solar Facility allocated to a Subscriber to offset that Subscriber's electricity bill.

Billing Party – The party that renders a bill directly to a Retail Customer.

Business Day – A calendar day other than a Saturday or Sunday in the Eastern United States time zone in which the Company is open for business with the public.

Commission – The State Corporation Commission of Virginia.

Company – Appalachian Power Company

Coordination Services – Those services that permit the type of interface and coordination between the Subscriber Organization and the Company in connection with the Subscription of a Shared Solar Facility by a Subscriber Organization to Retail Customers located in the Company's service territory.

Distribution Facilities – Those electric facilities owned by the Company that operate at voltages of less than 69,000 volts and that are used to deliver electricity to Customers, up through and including the point of physical connection with electric facilities owned by the Customer.

Electric Distribution Service – The delivery of electricity through the Company's Distribution Facilities to a customer who purchases Electricity Supply Service.

Electric Service – The provision, by the Company to the Customer, of Electric Distribution Service and, to the extent provided by the Company, Electricity Supply Service and utility services. Electric Service also means, where applicable, the interconnection of electric generators with the Company.

Electricity Supply Service – The generation of electricity, or when provided together, the generation of electricity and its transmission to the Distribution Facilities of the Company on behalf of a Retail Customer.

Enrollment Request – Electronic notification sent to the Company from a Subscriber Organization that a Customer and certain accounts associated with that Customer, has a Subscription with the Subscriber Organization.

FERC – Federal Energy Regulatory Commission.

Force Majeure – The meaning as set forth in Section 16 of this Agreement.

Interval Metering Services – Metering services provided in accordance with Section X. – Billing and Re-billing of Metered and Unmetered Services, of the Company's Terms and Conditions.

Low-income Customer – Any person or household whose income is no more than 80% of the median income of the locality in which the customer resides. The median income of the locality is determined by the U.S. Department of Housing and Urban Development.

Low-income Service Organization – A non-residential customer of the Company whose primary purpose is to serve low-income individuals and households.

Low-income Shared Solar Facility – A Shared Solar Facility of which at least 30% of the capacity is subscribed by Low-income Customers or Low-income Service Organizations.

Low-income Subscription Plan – A plan submitted to the Commission by an applicant providing a commitment for Low-income Subscriptions and demonstrating the ability to subscribe Low-income Customers.

Minimum Bill – A dollar per month amount determined by the Commission under § 56-594.4 D of the Code of Virginia that certain Subscribers are required to pay, at a minimum, on their utility bill each month after accounting for any Bill Credits.

Non-ministerial Permits – All necessary governmental permits and approvals to construct the Shared Solar project (other than ministerial permits, such as electrical and building permits), notwithstanding any pending legal challenges to one or more permits or approvals.

Non-profit Entity – A bona fide Non-profit Entity (i) has the status of a tax-exempt organization under § 501 (C) (3) of the Internal Revenue Code of 1986; (ii) conducts its activities in a manner that serves public or charitable purposes rather than commercial purposes; (iii) applies for qualification of projects that serve primarily or exclusively low-income customers; and (iv) was not created for the purpose of avoiding the financial fitness requirements or otherwise under the control of a for-profit entity.

Rate Schedules – The Company's retail rate schedules applicable to Customers purchasing Electric Distribution Service and Electricity Supply Service from the Company.

Retail Customer or Customer – An entity that purchases Electric Service for his or her own consumption at one or more metering points or nonmetered points of delivery for a single account located in the Company's service territory.

Rules – The Rules Governing Shared Solar Program, 20 VAC 5-340-10 through -110.

Shared Solar Facility – A facility that meets the following requirements:

1. Generates electricity by means of a solar photovoltaic device with a nameplate capacity rating that does not exceed 5,000 kW of alternating current;
2. Is interconnected with the distribution system of Appalachian Power Company in the

Commonwealth

3. Has at least three Subscribers;
4. Has at least 40% of its capacity subscribed by Customers with Subscriptions of 25 kilowatts or less; and
5. Is located on a single parcel of land.

Subscriber – A Customer that owns one or more Subscriptions of a Shared Solar Facility that is interconnected with the Company.

Subscriber Organization (SO) – Any for-profit or Non-profit Entity that owns or operates one or more Shared Solar Facility(ies).

Subscriber Organization Coordination Agreement – The primary service agreement governing the Company's relationship with the Subscriber Organization.

Subscription – A contract or other agreement between a Subscriber and the owner of a Shared Solar Facility. A Subscription shall be sized such that the estimated bill credits do not exceed the Subscriber's average annual bill for the Customer account to which the Subscription is attributed.

Terms and Conditions – The Company's Terms and Conditions of Standard Service as filed with the Commission applicable to Retail Customers.

3.0 GENERAL TERMS AND CONDITIONS

3.1 Scope and Purpose

This Agreement, as defined herein, as executed, establishes the basic requirements for interactions and coordination between the Company, as the investor-owned electric utility, and each Subscriber Organization participating in the Shared Solar Program. Initially, the maximum cumulative size of the Shared Solar Program shall be 50 MW or 6.0% of peak load, whichever is less..

3.2 Subscriber Organization's Responsibilities to Subscribers

The SO shall solely be responsible for having all necessary and appropriate contractual agreements or other arrangements with its Subscribers, consistent with Va. Code § 56-594.4 (the Shared Solar Act), the Rules, and with this Agreement. The Company shall not be responsible for monitoring, reviewing or enforcing such contractual agreements or arrangements; however, upon request, the SO shall provide enrollment contracts within five (5) Business Days to the Company. The SO cannot create any duty or liability between the Company and any Subscriber that is not otherwise required by statute, Commission regulation, or the Company's Terms and Conditions.

3.3 Recourse to the Commission

Nothing in this Agreement shall restrict the rights of any party to file a complaint with the Commission.

3.4 Subscriber Organization Obligations

The SO will be required to:

- 3.4.1** Furnish proof of licensure from the Commission prior to commencing business operations as a SO in the Commonwealth. For a SO that provides less than a total of 500 kW AC solar at any one location, or multiple locations, provide notice to the Company with the information listed in 20 VAC 5-340-110;
- 3.4.2** Comply with all initial and continuing requirements of the Commission's licensure process and registration requirements of the Company, as applicable;
- 3.4.3** Provide a copy of the Commission approval or notification to the Commission for any transfer or assignment of a license to another entity within five (5) business days from the date of Commission approval or notification;
- 3.4.4** Comply with the Act, the Shared Solar Act, the Rules, this Agreement, and the Company's Terms and Conditions, as applicable;
- 3.4.5** Abide by any applicable regulation, procedure, or requirement of any institution charged with ensuring the reliability of the electric system, including the Commission, the North American Electric Reliability Council and its regional councils, the FERC, or any successor agencies thereto;
- 3.4.6** Submit to the Company a completed SO Registration Agreement as defined in Subsection 5.2.1 and updates to the Application as defined in Subsection 5.3;
- 3.4.7** Satisfy the financial security requirements of the Company pursuant to Section 6; and
- 3.4.8** Provide a copy of the SO's Low-income Subscription Plan using the template adopted by the Commission.

3.5 SO and Company Obligations

The Company shall provide the SO with Coordination Services as necessary and shall exchange all data, materials, or other information that is specified in this Agreement in accordance with Commission approved Rules, and that may otherwise be reasonably required by the SO or the Company in connection with their obligations under this Agreement.

3.6 Record Retention

The SO and the Company shall comply with all applicable laws, rules, and regulations for record retention, as they are and may, from time to time, be modified, including, but not limited to 20 VAC 5-340-50 E, 20 VAC 5-340-70 F, and 20 VAC 5-340-90, and those issued by the Commission.

- 3.6.1** The SO will maintain adequate records to verify the Subscriber's enrollment authorization. The SO must retain all disclosure forms, Low-income Customer proof of eligibility, Subscriber allocation lists, customer billing and account records, and complaint records for a period of at least three (3) years.

- 3.6.2** The SO shall maintain a copy of Subscriber contracts for at least one (1) year from the date of expiration.
- 3.6.3** Prior to commercial operation of any Shared Solar Facility, each SO will provide a report on its achievement of contracting with Low-income Customers. Commencing in 2024, the SO will provide a copy of all subsequent reports filed with the Commission by January 31 and July 31 to the Company at SharedSolarVA@aep.com.
- 3.6.4** The Company will maintain a consolidated list of active SOs, including the number of Low-income Customers for each Subscriber Organization.

3.7 Public Safety and Reliability

Nothing herein shall be deemed to prohibit the Company, in emergency situations, from taking necessary and appropriate actions, including but not limited to those described in the Company's Terms and Conditions, to ensure public safety and reliability of the Company's facilities.

3.8 Effective Date and Term

This Agreement shall become effective when executed by the Company ("Effective Date"). The term of this Agreement is one year and shall renew automatically for one-year periods on the anniversary of the Effective Date, unless the SO provides the Company with a 60-day advance written notice indicating a desire to terminate the Agreement, or the Agreement or Coordination Services have been terminated, or the SO registration has been revoked.

4.0 SYSTEM OPERATION

4.1 Curtailment

The Company shall have the right, on a basis that is not unduly discriminatory to curtail, interrupt, reduce voltage, or reduce the supply of electric energy or shall have the right to disconnect the Shared Solar Facility per the System Operation parameters identified in the Interconnection Agreement.

4.2 Reasonable Efforts

The Company shall use reasonable efforts to: (i) minimize any scheduled curtailment, interruption or reduction to the extent practicable under the circumstances; and (ii) resume service as promptly as practicable following elimination of the condition causing the disconnection, curtailment, interruption or reduction, subject to applicable provisions in accordance with the System Operation parameters of the Interconnection Agreement.

4.3 Compliance with Governmental Directives

The SO acknowledges and agrees that the Company may need to act in response to governmental or civil authority directives that may affect Customer load and/or output of the SO Shared Solar Facility. The SO agrees to cooperate with the Company to comply with said directives.

4.4 Compliance with Terms and Conditions

**This Filing Effective for Production From
Shared Solar Facility On and After 07-01-25.**

- 5.2.2.1** The SO will pay the Company a security deposit in the amount of \$50.00 per kW of AC rated capacity of the Shared Solar Facility within ten (10) calendar days of the date that the Shared Solar Facility was awarded capacity in the program queue. Deposits, including interest, will be returned in full upon (i) commercial operation of the Shared Solar Facility; and (ii) demonstration that any Low-income Subscription requirements have been met. The Company will accept a letter of credit in lieu of the cash deposit.
- 5.2.2.2** Should a Shared Solar Facility project not reach mechanical completion within 24 months of the date the project was awarded capacity, the Shared Solar Facility will be removed from the program queue unless the SO pays an additional deposit of \$25 per kW in order to maintain its place within the queue. The Company will accept a letter of credit in lieu of the cash deposit.
- 5.2.2.3** For the SO that paid an additional deposit or submitted a supplemental bond to preserve project placement in the program queue, any Shared Solar Facility project that fails to reach mechanical completion within 36 months from the date it was awarded capacity will be removed from the program queue.
- 5.2.2.4** Subscriber Organizations deemed a Non-profit Entity per Section 2, above, will be exempt from deposit requirements identified in this section.

5.2.3 Notice of Incomplete Application – In the event the SO submits an incomplete Application, the Company will provide written or electronic notice to the SO of the Application's deficiency. An Application shall not be processed until it is completed and delivered to the Company.

5.2.4 Review of a Completed Application – Following receipt of a completed Application, the Company shall review the Application and, if applicable, conduct a credit review. The Company shall conduct its review and notify the SO of acceptance or rejection within 30 calendar days of receipt of the completed Application. For approved Applications, the Company will (i) notify the SO that the Shared Solar Facility has been awarded capacity in the program queue or placed on a waiting list; and (ii) once capacity has been awarded, execute the necessary Agreement and return an executed copy to the SO. Upon rejection of any Application, the Company shall provide the SO with written or electronic notice of rejection and shall state the basis for the rejection.

5.2.5 Grounds for Rejecting an Application – The Company may reject any Application under this Agreement on any of the following grounds:

- 5.2.5.1** The SO has undisputed outstanding debts to the Company arising from its previous receipt of services from the Company under the Shared Solar Program;
- 5.2.5.2** The SO's Shared Solar Facility is not located in the Company's Virginia service territory;
- 5.2.5.3** The SO's Shared Solar Facility is not located on a single parcel of land;
- 5.2.5.4** The SO has failed to satisfy the Company's financial security requirements;

- 5.2.5.5** The SO has failed to deliver to the Company a completed Application within 30 calendar days of written notice of the Application's deficiency; or
- 5.2.5.6** The SO has failed to comply with Subsection 5.2.2, above, as applicable.

5.3 Updates to Application

5.3.1 Changes to Information Provided in Completed Application – The SO must notify the Company within thirty (30) calendar days of any changes to the information provided in the SO's Application, including any required attachments.

5.3.2 Change in Status – The Company may periodically review a SO's registration status. Where the Company determines that a SO's registration status, including financial security, is not adequate for its current service level, the Company may require the SO to submit updated information relative to its status to maintain an active status.

5.4 Revocation of Registration

The SO may be subject to revocation of its registration and termination of Coordination Services if it is found to be in noncompliance as provided for in Subsection 5.7 and Section 7.

5.5 Commencement of SO Coordination Services

SO Coordination Services under this Agreement shall commence the first of the month that is at least sixty (60) days after the execution by all parties of the necessary Agreement pursuant to Subsection 5.2.1.3, provided that the Company has received all of the information necessary for the Company to provide Coordination Services pursuant to Subsection 5.2.1, and the Company has determined that the SO's Application is complete and acceptable.

5.6 SO Notice of Intent to Terminate Service

The SO will provide the Company and Subscriber with a written notice at least sixty (60) calendar days prior to the termination or abandonment of a Shared Solar Facility, pursuant to 20 VAC 5-340-50 L.

5.7 Termination of Coordination Services

Coordination Services under this Agreement will or may be terminated as follows:

- 5.7.1 SO Abandons Facility or Terminates Service** – In the event the SO abandons or terminates a Shared Solar Facility, pursuant to 20 VAC 5-340-50 L, the Agreement between the SO and the Company shall terminate sixty (60) calendar days following the date on which the Shared Solar Facility no longer provides Electric Service to any Customers in the Company's service territory.
- 5.7.2 Default by the SO** – In the event of default by the SO pursuant to Section 8 of this Agreement, the Company may terminate the Agreement between the SO and the Company by providing written notice to the SO in default, without prejudice to any remedies available to the party not in default by reason of the default.

5.7.3 Amendment to the Act – In the event the General Assembly of Virginia amends the Act or the Shared Solar Act in such a manner that disallows actions contemplated under this Agreement, the Company may suspend or terminate certain provisions of its Coordination Services if such provisions are affected by the amendments. However, in the event of an amendment to the Act or the Shared Solar Act, the Parties to the Agreement will make a good faith effort to amend the Agreement to address the impact of the legislative amendment.

5.7.4 Effect of Termination – Should the SO abandon or terminate a Shared Solar Facility, the Company will no longer include Bill Credits and Minimum Bill on a Subscriber's account beyond the time identified in Subsection 5.7.1.

5.7.5 Survival of Obligations – Termination of SO Coordination Services for any reason shall not relieve the SO of any obligation accrued or accruing prior to the termination.

5.8 Coordination of Shared Solar Program Subscriber Organization Activities

The SO will provide the Company with a written and electronic advanced notice, at least sixty (60) calendar days prior to the Shared Solar Facility supplying service to any Subscriber, the list of Subscribers enrolled in the Shared Solar Facility and their Subscription information. For each Subscriber, the Subscription shall be sized such that the estimated bill credit does not exceed the Subscriber's average annual bill for the Customer account to which the Subscription is attributed.

6.0 FINANCIAL SECURITY

6.1 Financial Security

In the event the Company determines there is a reasonable expectation of a net financial impact due to failure of the SO to reimburse the Company for SO related charges including, but not limited to, charges as discussed in Sections 12 and 13, below, the Company may require reasonable financial security.

6.1.1 The amount of such financial security shall be commensurate with the level of risk assumed by the Company.

6.1.2 Except as noted below, the SO shall provide the Company with an acceptable form of security pursuant to 20 VAC 5-340-40 A 7. The security may be in the form of a letter of credit from an acceptable financial institution or other arrangements that may be mutually agreed upon by the Company and the SO.

6.2 No Endorsement of SO

The Company makes no express or implied warranties or guarantees of any kind with respect to the financial or operational qualifications of such SO.

7.0 NON-COMPLIANCE

7.1 Definition of Non-Compliance

The SO shall be deemed to be in non-compliance with this Agreement upon its failure to observe

any material term or condition of this Agreement.

7.2 Events of Non-Compliance

Non-compliance with this Agreement shall include, but is not limited to the following:

- 7.2.1** SO's failure to adhere to the Act, the Shared Solar Act, the Rules Governing Shared Solar Program, Commission-related orders, this Agreement and the Company's Terms and Conditions, as applicable;
- 7.2.2** SO's failure to comply with any applicable regulation, procedure or requirement of any institution charged with ensuring the reliability of the electric system, including the Commission, the North American Electric Reliability Council and its regional councils, the FERC, or any successor agencies thereto;
- 7.2.3** SO's failure to provide or maintain any financial security that may be required pursuant to Section 6;
- 7.2.4** SO's failure to make payment of any undisputed, Commission-approved charges in the time prescribed;
- 7.2.5** SO bankruptcy;
- 7.2.6** A written admission by the SO of its inability to pay its debts generally as they become due or the SO's consent to the appointment of a receiver, trustee, or liquidator of it, or of all or any part of its property;
- 7.2.7** Breach of any agreement entered into as a part of the Shared Solar Program;
- 7.2.8** SO's failure to provide 60 days written advanced notice of (i) Subscribers enrolled in the Shared Solar Facility and their Subscription information; or (ii) termination or abandonment of a Shared Solar Facility; or
- 7.2.9** Failure to maintain a valid Interconnection Agreement.

8.0 DEFAULT

8.1 Cure & Default

If the SO fails to comply with its obligations under the Agreement, prior to terminating the SO's Coordination Services, the Company shall notify the SO of the impending termination of Coordination Services and its effective date, the alleged action or inaction that merits such termination of Coordination Services, and the actions, if any, that the SO may take to avoid the termination of Coordination Services. Such notice shall be in writing and sent to the SO via electronic mail or overnight delivery. A copy of the notice shall be forwarded contemporaneously to the Commission's Division of Public Utility Regulation and Utility Accounting and Finance via electronic mail or overnight delivery. The SO shall be deemed to be in default of its obligations under this Agreement if: (i) it fails to cure its non-compliance within ten (10) Business Days after its receipt of such notice; or (ii) the non-compliance cannot be cured within such period and the SO does not commence action to cure the non-compliance within such period and, thereafter, diligently pursue such action to completion. In the case of the SO's failure to maintain its status as a Commission-licensed SO, where applicable, no notice shall be required or opportunity to cure permitted.

8.2 Costs for Non-Compliance

If the SO is found to be in noncompliance, the SO shall reimburse the Company for any costs associated with such failure, including but not limited to:

- 8.2.1** Mailings by the Company to the SO's customers to inform them of the SO's failure;
- 8.2.2** Non-standard or manual bill calculations and production performed by the Company;
- 8.2.3** Any unscheduled meter readings required to adjust the Customers' billings;
- 8.2.4** Company performance of any of the SO's data transfer responsibilities; and
- 8.2.5** Any other expenses associated with such failure, which expenses shall be reasonable and documented.

9.0 SUBSCRIBER INFORMATION

9.1 Delivery of Subscriber Information

By the fifth Business Day of each month, SOs that have completed registration with the Company and provided the advanced written sixty (60) day notification for enrollment per Subsection 5.8, above, shall provide to the Company in a secure, standard electronic format approved by the Company, a Subscriber list that includes, but may not be limited to the following information:

- 9.1.1** Customer information, such as name, address, contract account number, and any other information required by the Company to process the SO's request;
- 9.1.2** SO identifying information;
- 9.1.3** Consolidated Billing information as described in Section 13.2, below; and
- 9.1.4** Kilowatt-hours of generation attributable to each of the Subscriber's participating in a

Shared Solar Facility in accordance with the Subscriber's portion of the output of the Shared Solar Facility.

In accordance with 20 VAC 5-340-50 E. and H. 12, the Customer must authorize the following exchange of information between the Company and SO: (i) customer name; (ii) billing address and premise address; (iii) contract account number; and (iv) shared solar subscription information (pricing, subscription size, contract start date and length, and terms of subscription).

9.2 Maintenance of Subscriber Information

By the fifth Business Day of each month, each SO will submit a Subscriber list to include the information described per Subsection 9.1, above, and indicate in the Subscriber list any new and canceling Subscribers. The Company and SO may mutually agree to a different exchange of Subscriber information; however, all Subscriber lists must be provided by the fifth Business Day of each month.

For a new Subscriber, the SO must provide the Subscriber Information described in Subsections 9.1 and 10.1.2 to the Company sixty (60) calendar days prior to the first month the Subscription begins, unless a different timeframe is mutually agreed to by the Company and Subscriber Organization.

10.0 CUSTOMER ENROLLMENT

10.1 Enrollment Process

When enrolling Customers, the SO shall comply with all provisions of 20 VAC 5-340-50, including the following provisions:

- 10.1.1** The SO shall not enroll Subscribers until July 1, 2025, provided the Shared Solar System project receives the executed Small Generator Interconnection Agreement pursuant to 20 VAC 5-314-40 through 20 VAC 5-314-70, Section XXVI. - Electric Generator Interconnections Other Than Net Metering, of the Terms and Conditions, and any other applicable local and state permits for each Shared Solar Facility.
- 10.1.2** The SO will provide the Company an initial list of Subscribers enrolled in the Shared Solar Facility and the Subscription Information a minimum of sixty (60) days prior to the Shared Solar Facility supplying service to any Subscriber. This Subscriber list must be provided in a secure, confidential format.
- 10.1.3** In the event the SO transfers a Customer's Subscription to a new address under the existing contract, the SO must provide the Company the updated Subscriber information per Subsection 9.0.
- 10.1.4** In the event multiple enrollment requests are submitted for the same Subscriber, only the earliest dated contract will be processed. Each Subscriber account/premise may be enrolled with only one SO. A single Subscriber account/premise may not be enrolled with more than one SO. The Company will notify the Subscriber within five (5) Business Days of receipt of the enrollment request.

10.2 Effective Date for Subscribers

- 10.2.1** For enrollment requests received and validated by the Company pursuant to

Subsection 5.8, any Minimum Bill and Bill Credits approved by the Commission in accordance with any Commission-approved tariff related to the Shared Solar Program will be applied to the Subscriber's account within two billing cycles following the bill cycle during which energy was generated by the SO Shared Solar Facility and the Company received the Subscribed kWh from the Subscriber Organization.

- 10.2.2** For new enrollment requests where the Shared Solar Facility has previously been supplying service to Subscribers, any Minimum Bill and Bill Credits approved by the Commission in accordance with any Commission-approved tariff related to the Shared Solar Program will be applied to each Subscriber's account within two billing cycles provided the SO submitted the Subscriber information per Section 9.0.

10.3 Single Point of Delivery

For any single Company account of a Subscriber, each such account must have a minimum of one Subscription of a Shared Solar Facility.

11.0 REPRESENTATIONS AND WARRANTIES

11.1 SO Representations and Warranties

The SO hereby represents, warrants and covenants as follows:

- 11.1.1** The SO is a _____ duly organized and validly existing under the laws of the Commonwealth/State of _____ and is authorized to do business and is in good standing in the Commonwealth of Virginia;
- 11.1.2** The SO has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;
- 11.1.3** The SO will conduct business as a Subscriber Organization as described in Virginia Code § 56-594.4, the Rules Governing Shared Solar Program, 20 VAC 5-340-10 through -110, and the SO Coordination Agreement;
- 11.1.4** The SO has obtained or will have obtained by the Effective Date, any applicable license from the Commission as a Subscriber Organization located within the Commonwealth of Virginia, as applicable. Such license shall be maintained throughout the life of this Agreement, and the lack of such license shall immediately terminate this Agreement, as applicable;
- 11.1.5** The execution and delivery of this Agreement and the performance of the SO's obligations hereunder have been duly authorized by all necessary actions on the part of the SO and do not and will not conflict with or result in a breach of the SO's charter documents or bylaws or any indenture, mortgage, other agreement or instrument or any statute, rule, regulation, order, judgment, or decree of any judicial or administrative body to which the SO is a party or by which the SO or any of its properties is bound or subject to, nor any legal proceeding now pending or, to the SO's knowledge, threatened;

11.1.6 This Agreement is the valid and binding obligation of the SO, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally or by general principles of equity; and

11.1.7 There are no actions at law, suits in equity, proceedings or claims pending against the SO before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the performance of its obligations hereunder.

11.2 Company Representations and Warranties

The Company hereby represents and warrants as follows:

11.2.1 The Company is a public service corporation duly organized and validly existing under the laws of the Commonwealth of Virginia;

11.2.2 The Company has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;

11.2.3 The execution and delivery of this Agreement and the performance of the Company's obligations hereunder have been duly authorized by all necessary actions on the part of the Company and do not and will not conflict with or result in a breach of the Company's charter documents or bylaws or any indenture, mortgage, other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Company is a party or by which the Company or any of its properties is bound or subject to nor any legal proceeding now pending or, to the Company's knowledge, threatened;

11.2.4 This Agreement is the valid and binding obligation of the Company, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally or by general principles of equity.

11.2.5 There are no actions at law, suits in equity, proceedings or claims pending against the Company before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the performance of its obligations hereunder.

11.3 Continuation of Warranties

All representations and warranties contained in this Section 11 shall continue for the term of this Agreement.

12.0 METERING & METERING SERVICES

12.1 Metering

The Shared Solar Facility must have a meter provided by the Company that is capable of measuring the output of the facility on a 30-minute interval basis.

12.1.1 The meter provided to the Shared Solar Facility shall not generally be located behind a meter for another Customer account.

12.2 Meter Ownership and Maintenance

The Company will own and maintain meters used for measuring and billing the Customer for its demand and consumption of energy. The Company is responsible for the installation, removal and maintenance of all Company-owned measurement and billing meters.

12.3 Meter Equipment

Meter equipment will comply with the American National Standard Code for Electricity Metering, as revised from time to time per Sheet No. 3-10 – Meter Accuracy and Tests, of the Terms and Conditions.

12.4 Adjustments to Meter Readings

Adjustments will be made in accordance with Sheet No. 3-10 – Meter Accuracy and Tests, of the Terms and Conditions \. The Company shall determine the amount of adjustment to the Customer's demand and/or energy use, and all parties shall accept such amount as final.

12.5 Meter Disconnections

Meter disconnections will be performed in accordance with Section 13 of this Agreement.

13.0 BILLING & DISCONNECTION

A Subscriber Organization may offer Separate Billing or Consolidated Billing (Net Crediting).

13.1 Billing – Separate Billing

13.1.1 Upon enrollment with the SO, Subscribers shall receive two separate bills containing each of their respective billing: (i) one from the Company which includes any Commission-approved charges and credits related to the Shared Solar Program; and (ii) one from the SO with the Subscription-related fees.

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13.2 Billing – General

13.2.1 On a monthly basis and in a standardized electronic format, the Company will provide the SO with a report indicating the total value of Bill Credits generated by the Shared Solar Facility in the prior month, as well as the amount of the Bill Credits applied to each Subscriber's account.

13.2.2 In the event that all of the kWh electricity generated by a Shared Solar Facility is not allocated to Subscribers in a given month, the SO may accumulate Bill Credits. The SO shall provide the Company allocation instructions for distributing excess Bill Credits, in kWh, to Subscribers on an annual basis based on the Shared Solar Facility's anniversary month, which is twelve months from the Commercial Operation Date of the Shared Solar Facility.

13.2.3 The Company shall, in accordance with the Code of Virginia and applicable local ordinances, be responsible for the calculation, collection and remittance of the Electric Utility Consumption Tax and the Local Utility Tax.

13.2.4 The SO will be responsible for paying any Commission-approved charges.

13.3 Disconnection

The Company will perform all disconnection of services for non-payment in accordance with Section XVI. – Discontinuance of Electric Service, of the Company's Terms and Conditions. The Company will not disconnect a Customer for non-payment associated with Subscription-related fees.

14.0 DISPUTE RESOLUTION PROCEDURE

In the event of a dispute between the Company and the SO regarding the Company's Shared Solar Program, the Company and the SO shall attempt to resolve such dispute in accordance with procedures pursuant to 20 VAC 5-340-70.

14.1 Record Retention

The SO shall retain Subscriber billing, account records and complaint records for at least three (3) years.

14.2 Customer Referral

14.2.1 The SO shall immediately direct a Subscriber to contact the Company if the Subscriber has a service emergency.

14.2.2 If the SO refers a Subscriber to the Company for response to any inquiry or a complaint, the Company shall (i) resolve the inquiry or complaint in a timely fashion; or (ii) contact the SO to determine responsibility for resolving the inquiry or complaint.

15.0 LIMITATION OF LIABILITY

15.1 Limitation on Liability

Except as otherwise provided herein, and except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act or omission of the party sought to be held liable, neither party

shall be liable to the other in connection with the provision or use of services offered under this Agreement for consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including (without limitation) damages for lost profits, lost revenues, or other monetary losses regardless of the form of action, whether based on contract, warranty (whether expressed or implied), strict liability, or tort, statutory claims, or otherwise, whether in law or in equity, whether such loss or damage is incurred by the Customer, a SO, or others. The Company shall have no liability to the SO arising out of or related to a Subscriber's decision to subscribe to a Shared Solar Facility.

15.2 Actions Against Subscribers

The Company may take and shall not be liable for actions against a Subscriber of a SO when such actions are in accordance with any applicable Commission-approved tariff of the Company, any applicable rule, regulation, or order of the Commission, or any action of a governmental authority, or as determined by the Company to be necessary to prevent or limit actions by the Subscriber which are illegal, fraudulent, or detrimental to the provision of Electric Service to other Customers, even though such action by the Company may adversely affect the supply of services to the Subscriber by the Company, or services supplied by the Company to the Shared Solar Facility or SO.

15.3 Actions Against SOs

The Company may take and shall not be liable for actions against a SO when such actions are in accordance with any applicable Commission-approved tariff of the Company, any applicable rule, regulation, or order of the Commission, or any action of a governmental authority, or as determined by the Company to be necessary to prevent or limit actions by the SO which are illegal, fraudulent, or detrimental to the provision of Electric Service to Customers of the Company, even though such action by the Company may adversely affect the supply of services to the Customer by the Company, or services supplied by the Company to the Shared Solar Facility or SO.

15.4 Indemnification

Each Party shall defend, indemnify and hold harmless the other from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the other's employees or any third Parties, including reasonable attorneys' fees, relating to performance under this Agreement, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act or omission of the Party claiming indemnification under this provision. Each Party's obligation to defend, indemnify and hold harmless under this Section 15 shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the indemnifying Party under any statutory scheme, including any Workers Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

16.0 FORCE MAJEURE

16.1 Events of Force Majeure

Neither the Company nor the SO shall be liable for any delay in performing or for failing to perform its respective obligations under this Agreement due to any event of Force Majeure, including a catastrophic weather condition, flood, fire, lightning, epidemic, quarantine restriction, pandemic, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, walkout, lockout or other labor dispute, work stoppage caused by jurisdictional and similar disputes, restraint by court order or public authority, or action or non-action by or inability to obtain authorization or approval from any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight such party claiming Force Majeure could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. Financial loss or other economic hardship of either the Company or the SO shall not constitute an event of Force Majeure under this Agreement.

16.2 Suspension of Obligations

The obligations of either the Company or the SO, so far as they are affected by the Force Majeure event, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied within a reasonable period of time. During such Force Majeure event, the Company and the SO shall take all reasonable steps to comply with this Agreement notwithstanding the occurrence of the event. This Section shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the party claiming Force Majeure involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the party claiming Force Majeure involved in the strike, walkout, lockout or other labor dispute.

17.0 CONFIDENTIALITY OF INFORMATION**17.1 Subscriber-Specific Information**

The SO shall adequately safeguard all Subscriber information and shall not disclose such information unless the Subscriber authorizes disclosure in accordance with 20 VAC 5-340-50 M.

17.2 Company or SO Information

All proprietary, confidential, or commercially sensitive information made available by the Company or the SO to the other party pursuant to this Agreement, and designated in advance as such, including, without limitation, pricing or cost information, individual customer consumption data and information regarding computer systems or communications systems, shall not be disclosed to third parties without written consent from the originating party. Provided, a party may disclose such information to the extent that such disclosure is legally required by applicable law or is otherwise necessary to obtain or maintain regulatory or governmental approvals, applications or exemptions. In such cases where disclosure is required or necessary, the party making such disclosure shall to the extent permitted by applicable law: (a) give the earliest notice practicable to the originating party that provided the confidential information that such disclosure is or may be necessary or legally required; (b) reasonably cooperate in protecting the confidential or proprietary nature of the confidential information to be disclosed; (c) furnish only the portion of the confidential information that is necessary or legally required to be disclosed (as determined

by the party making such disclosure or, if applicable, its legal counsel); and (d) exercise commercially reasonable efforts to obtain assurance that confidential treatment will be accorded the confidential information to the fullest extent practicable

17.3 Remedy for Breach of Confidentiality

The Parties agree that it will be impossible or very difficult to measure in terms of money the damages that would accrue due to any breach of the confidentiality provisions or any failure to perform any obligation herein and, for that reason, among others, each Party is entitled to specific performance of the confidentiality provisions, or injunctive or other equitable relief as a remedy for a breach of the confidentiality provisions of the SO Coordination Agreement. If either Party institutes a proceeding to enforce any part of the confidentiality provisions of the SO Coordination Agreement, the other Party hereby waives any claim or defense that an adequate remedy at law exists. Any such relief shall be in addition to, and not in lieu of, money damages or any other legal remedy available to the Party instituting the proceeding.

18.0 REGULATORY AUTHORIZATIONS & JURISDICTION

18.1 Compliance with Applicable Legal Authorities

The Company and the SO are subject to, and shall comply with, all existing or future applicable federal, state and local laws, and all existing or future duly promulgated orders or other duly authorized actions of governmental authorities having jurisdiction over the matters covered by this Agreement. The obligation of the Company to provide service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such service has been obtained and will be maintained in force during such period of service.

If applicable law or regulations materially change the obligations under this Agreement, the Parties agree to work towards a mutual agreement amending the Agreement in accordance with applicable law and regulations.

19.0 MISCELLANEOUS PROVISIONS

19.1 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or, preferably, electronic mail transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

If to the SO to: _____

If to the Company to:

[address]

Copy to: legalnotices@aep.com

or to such other person at such other address as a Party shall designate by like notice to the other Party. Notices received after the close of a Business Day shall be deemed received on the next Business Day.

19.2 No Prejudice of Rights

No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse. The failure of either Party to insist in any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

19.3 Assignment

This Agreement may be assigned by either Party with the prior written consent of the other Party, if such assignee agrees, in writing, to be bound by all of the terms and conditions hereof, and if any necessary regulatory approvals or registrations required under this Agreement are obtained. The consent required hereunder shall not be unreasonably withheld.

19.4 Governing Law

To the extent not subject to the exclusive jurisdiction of the FERC, the formation, validity, interpretation, execution, amendment and termination of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

19.5 Headings

The headings and sub-headings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereunto, nor should they be used to aid in any manner in the construction of this Agreement.

19.6 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

19.7 Relationship of the Parties and Survival

This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power, or authority to enter any agreement or

undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

19.8 Cancellation

Cancellation, expiration or early termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including, without limitation, payment of any amounts due, warranties, remedies, promises of indemnity and confidentiality.

19.9 Severability

Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof, unless it materially changes the Agreement of the Parties.

19.10 Complete Agreement

This Agreement is intended by the Parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement are hereby abrogated and withdrawn.

19.11 Taxes

All present or future federal, state, municipal or other taxes imposed on the SO by any taxing authority by reason of this Agreement shall be the liability of the SO. The SO shall pay all such taxes to the applicable taxing authority to the extent required or permitted by law. If any transaction is exempt from the payment of any such taxes, the SO will, if requested, provide the Company with valid tax exemption certificates.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

Accepted:

**SHARED SOLAR SUBSCRIBER
ORGANIZATION:**

By: _____

Printed

Name: _____

Title: _____

Accepted:

**APPALACHIAN POWER
COMPANY:**

By: _____

Printed

Name: _____

Title: _____

Virginia Electric and Power Company

Shared Solar Program Subscriber Organization Coordination Agreement

Date: _____

Date: _____

Appalachian Power Company
Shared Solar Program
Subscriber Organization Registration Agreement

250410036
 APTC Form No. _____
 Witness: HLL
 Schedule 4

The Subscriber Organization ("SO") Registration Agreement and attachments are submitted electronically to Appalachian Power Company ("Company") Shared Solar Program at sharedsolarva@aep.com. Please complete a separate Registration Agreement for each Shared Solar Facility for which registration is sought.

Please complete all fields. If a field is not applicable to your company, please indicate by inserting "N/A" in the space provided.

1. Basic Information	
SO Name (Legal Name)	
SO Name (Trade Name if different than Legal Name)	
Mail Address	
Mail City	
Mail State	
Zip Code	
Toll Free Number	
E-mail Address	
SO Billing Address	
Bill Address	
Bill City	
Bill State	
Zip Code	
SO Doing Business As	
SO Name as Desired to Appear on Bill (25 Characters) Required Information	
Registered Agent (Virginia-only)	
Mail Address	
Mail City	
Mail State	
Zip Code	
Telephone Number	
E-mail Address	
Tax-ID	
Subscription Management Services Provider	
Anticipated Number of Customers/Subscribers	
SO Start Date of Subscriber Enrollment	_____ (MM/DD/YYYY)

Appalachian Power Company
Shared Solar Program
Subscriber Organization Registration Agreement

250410026
 APTC Form No. _____
 Witness: HLL
 Schedule 4

4. Subscriber Organization <u>Operational</u> Contact for Registered Shared Solar Facility	
Shared Solar Facility Name	
Primary Contact Name	
Contact Title	
Contact Address	
Street	
City	
State	
Zip Code	
Contact Telephone Number	
Contact E-mail Address	
Secondary Contact Name	
Secondary Contact Title	
Secondary Contact Address	
Street	
City	
State	
Zip Code	
Secondary Contact Telephone Number	
Secondary Contact E-mail Address	

5. Customer Service for Shared Solar Facility	
Customer Service Telephone Number	
Customer Service E-mail Address	
Customer Service Supervisor (Name)	
Direct Dial Voice Telephone Number	
E-mail Address	

**Appalachian Power Company
Shared Solar Program
Subscriber Organization Registration Agreement**

250410026
APC Form 2019
Witness: HLL
Schedule 4

6. Credit	
Business Name:	
State of Incorporation (please mark N/A if not incorporated)	
Year Business Started	
Entity Type	<input type="checkbox"/> Corporation – Public <input type="checkbox"/> Corporation – Private <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Corporation <input type="checkbox"/> Non-Profit (per 20 VAC 5-340-30.A.10.c) <input type="checkbox"/> Other (Please Indicate Type Below)
Parent Company (Name, if applicable)	
Parent Company State of Incorporation	
SO Applicant and/or Parent Company	
a. Operating under federal bankruptcy laws?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Subject to pending litigation or regulatory proceedings in state or federal courts and/or agencies which could impact the Registrant's and/or Parent's financial condition?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Subject to collection lawsuits or outstanding judgments, which could impact solvency?	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. If the SO Applicant is related to a company not domiciled in the United States of America, provide the names and address of each foreign company, or state "not applicable."	

7. Bank Transfer	
Contact	
Bank Name	
Mail Address	
Mail City	
Mail State	
Zip Code	
Name on Account	
Bank Account Type (Select One)	<input type="checkbox"/> Direct Deposit <input type="checkbox"/> Savings
ABA Number/Transit Routing Number	
Bank Account Number	
Payment Method (Select One)	<input type="checkbox"/> Automated Clearing House <input checked="" type="checkbox"/> Check
Telephone Number	

8. Financial Security

By signature below, the SO agrees to provide the Company with any reasonable financial security as required under the Subscriber Organization Coordination Agreement.

**Appalachian Power Company
Shared Solar Program
Subscriber Organization Registration Agreement**

250410026
APC Form 2016
Witness: HLL
Schedule 4

9. Certification, Authorization, and Signature

Appalachian Power Company will treat all information, including financial statements, provided pursuant to the Shared Solar Subscriber Organization's registration in a confidential manner. The Company, however, may be required to disclose some or all of such information to the Virginia State Corporation Commission or pursuant to a court order.

Applicant will notify Appalachian Power Company's Shared Solar Program's administrator if any license, financial or other information changes.

Applicant acknowledges that this Shared Solar Program Subscriber Organization Registration Agreement is the initial registration process and the SO will be required to enter into a Subscriber Organization Coordination Agreement.

Applicant acknowledges that only complete registration forms with required attachments will be considered complete in order for the SO's project to be considered for the program capacity queue.

Applicant acknowledges that when notified by Appalachian Power Company that the SO's Shared Solar Facility is awarded capacity in the program queue, the SO shall pay Appalachian Power Company a security deposit of \$50 per kilowatt (kW) of alternating-current rated capacity of the Shared Solar Facility within 10 days (unless exempt if SO deemed bona fide nonprofit). The Company will accept a letter of credit in lieu of the cash deposit.

Applicant acknowledges that if a project fails to reach substantial completion within 24 months of the date it was awarded capacity, the project will be removed from the program queue unless the SO provides an additional deposit of \$75 per kW for the project to maintain its position in the program queue. The Company will accept a letter of credit in lieu of the cash deposit. The Applicant also acknowledges that if, after paying the additional deposit or submitting the Supplemental bond, the project still fails to reach substantial completion within an additional 9 months, Appalachian Power Company will remove the project from the program queue.

Applicant acknowledges that if a project fails to reach substantial completion within 36 months of the date it was awarded capacity, the project will be removed from the program queue unless the SO provides an additional deposit of \$25 per kW for the project to maintain its position in the program queue. The Company will accept a letter of credit in lieu of the cash deposit. The Applicant also acknowledges that if, after paying the additional deposit or submitting the Supplemental bond, the project still fails to reach substantial completion within an additional 12 months, Appalachian Power Company will remove the project from the program queue.

Applicant certifies that the information herein is complete and accurate to the best of the Applicant's knowledge, information, and belief, and that the individual signing below is an authorized representative of the Subscriber Organization.

Applicant hereby authorizes Appalachian Power Company to obtain any information that may be required relative to the Applicant from any source, including Applicant's financial and trade references. Applicant also hereby authorizes each source to provide such information.

Legal Name of SO Applicant	
Signature of Authorized Representative	
Name (Please Print)	
Title	
Date	

**Appalachian Power Company
Shared Solar Program
Subscriber Organization Registration Agreement**

250410036
APC Exhibit No. _____
Witness: HLL
Schedule 4

Contact information of the individual signing this form:

Mailing Address: _____

Telephone Number: _____

E-mail Address: _____

Schedule SSP-SO One-Time Set Up Charge

Task	Time	Hourly Rate	Total	
Review Subscriber Organizations' Licensure Documents	1.00	\$ 48.50	\$48.50	(1)
Review/Process Subscriber Organizations registration with the Company	6.00	\$ 48.50	\$291.00	
Set up Billing Account for Subscriber Organization	2.00	\$ 48.50	\$97.00	
			\$436.50	

Schedule SSP-SO Monthly Charge

Task	Time	Hourly Rate	Total	
Create Monthly Reporting to Subscriber Organization(s)	1	\$30	\$30.00	(2)
Review Subscriber Organizations' Monthly Reporting	1	\$30	\$30.00	
			\$60.00	

(1) Loaded hourly rate for Key Account Manager Sr.

(2) Loaded hourly rate for Functional System Analyst