



June 28, 2017

Honourable Johnny Mike Minister Responsible for Qulliq Energy Corporation Government of Nunavut

Re: Qulliq Energy Corporation (QEC) Net Metering Program Application

In September 2016, QEC announced that starting in the spring of 2017 QEC would implement a Net Metering Program, whereby QEC's electricity customers who own small renewable energy generators, up to 10kW in capacity, can receive a kilowatt hour credit (kWh) for excess energy delivered from the customer's renewable energy generation source, to the Corporation's (QEC's) system.

In general, it is anticipated that customers choosing to install their own renewable generation will be seeking to displace a portion of their energy requirements, but will still rely on QEC for both firm energy and demand requirements.

The Corporation will measure the kWhs exported by the Net Metering customer to QEC's electrical grid and a kWh credit will be applied to the Net Metering customer's electrical account in each billing cycle. The account for each net metering customer will be reset to zero annually on March 31 of each year. KWh credits cannot be carried over from the previous annual period or transferred to any other account and cannot be converted to a monetary value.

The proposed Net Metering Program is a new program in the territory, as such QEC proposes that initially the program be made available to all Residential Customers and one Municipal Corporation owned account per community (businesses and other, non-municipal customers do not qualify).

The number of Net Metering customers QEC can accept will be limited by community average load caps as outlined in the proposed revisions to QEC's Terms and Conditions of Service.

In order to implement the net-metering program, the Corporation hereby requests a Ministerial Instruction approving revisions to QEC's Terms and Conditions of Service as set out in Attachment 1.

Respectfully submitted,

Bruno Pereira President and CEO Qulliq Energy Corporation