

MiEnergy Cooperative

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Electric Tariff

Retail Designation – DG Rate Rider less than 40 kW DC (4) (Rated Nameplate Capacity of the Generator)

Net Metering

1.0 Availability

The DG Rate Rider for Small Distributed Generation is applicable to any Member taking service under one of MiEnergy Cooperative's (Cooperative) base electric rate schedules and the Member has completed the Distributed Generation Member Application Policy, Alternate Energy Production Facility Form as required under Iowa Code 476.6A and received approval from the Cooperative for the interconnection and operation of distributed generation facility (Qualifying Facility or QF) of less than 40 kW (DC), rated nameplate capacity of the generator and sized by the existing member energy usage at the connecting site of the QF. This Rider is intended to comply with any applicable federal and state requirements for purchases from QFs that meet the following criteria:

1. The distributed generation system must be an operable, permanently installed generation facility connected in parallel to the utility distribution system serving the Member receiving retail electric service at the same site.
2. The distributed generation system must be powered or fueled by renewable (wind, solar, hydro) resources, biomass, landfill gas, manure digesters, another similarly renewable fuel, or combination of such fuels.
3. The Total Generator Nameplate Capacity must be less than 40 kW (DC) of interconnected capacity at a point of common coupling to the Cooperative distribution system and the facility shall operate at a measured capacity of less than 40 kW at all times. The distributed generation system shall be installed where the primary purpose of the generator is to offset existing energy use at an established electric service account and not in situations where the primary purpose is to sell output to the Cooperative. For purposes of the foregoing, the "primary purpose" shall be deemed to offset existing annual energy use when either the actual or anticipated annual energy production of the distributed generation facility does not exceed the average annual energy use or estimated annual energy use (as determined by the Cooperative) of the member at the connecting site of the QF. For new services, the Cooperative will establish an estimated annual energy use based on the historical averages for the applicable rate class.
4. The interconnection and operation of the distributed generation system at each point of common coupling shall be considered as a separate application of the Rider.
5. All provisions of the applicable standard service schedule shall apply to distributed generation service under this Rider except as noted below:

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6. To obtain net metering, the QF cannot be connected in parallel with dual fuel services or on a service with other incentive electric rates and Members receiving net metering shall not be eligible for any other load management discounts. The Cooperative's purchases from QF's that are not eligible for net metering under that Rate Rider will be at the Cooperative's avoided cost rates under PURPA.

2.0 CHARGES FOR SERVICE

Services provided under this Rider may include services from the Cooperative to Member and from Member to Cooperative. The following rates, charges, credits and payments are applicable for such services in addition to all applicable charges for service being taken under Cooperative's standard rate schedule:

Services from Cooperative to Member

A monthly service charge, demand and energy charges equal to the charges contained in the base tariff to which this Rider is attached, will be applied to this Rider to recover costs associated with service to the Member. Other costs the Member may be charged include interconnection costs such as engineering/design studies, metering, cooperative system upgrades and testing as further described in Cooperative's "Distributed Generation Member Application Policy".

Services from Member to Cooperative

A member participating in this Rider may 1) use all the QF distributed generation energy to meet its own electrical requirement, or 2) use a portion of the energy from the QF distributed generation system to meet its own electrical needs and receive kWh credit for the remaining energy.

Cooperative will credit the member based on the net excess kWh's produced and delivered to the Cooperative. Such credit shall be in the form of a kWh credit on the Member's monthly billing statement. Bill credits will not expire, but roll from month to month with no cash out provision.

3.0 TERMS AND CONDITIONS OF SERVICE

The following terms and conditions apply to this Rider:

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1. Service hereunder is subject to Section 25 of Cooperative's Electric Tariff "Cogeneration and Small Power Production".
2. Cooperative will install all metering equipment necessary to monitor services provided to ensure adequate measurements are obtained to support necessary application of rates, charges, credits and payments. Member will be charged an up-front lump sum for the installed cost of such metering equipment and expected future operation and maintenance expenses for this metering equipment.
3. The Member will be credited monthly for all excess kWh's not used by the Member during a month and delivered to Cooperative's electric distribution system through a kWh credit on the Member's monthly billing statement as described above.
4. The Member shall make provision for on-site metering. All energy received from and delivered to the Cooperative shall be separately metered. The Cooperative may require metering of the generation output.
5. The Member shall pay for all interconnection costs incurred by the Cooperative made necessary by the installation of the distributed generation system.
6. Power and energy purchased by the Member from the Cooperative shall be under the applicable retail rates for the purchase of electricity.
7. The Cooperative reserves the right to disconnect the Member's generator from its system if it interferes with the operation of the Cooperative's equipment or with the equipment of other Cooperative Members or if Member fails to provide proof of annual liability insurance in the amount of \$300,000.00.
8. The Member has provided the Distributed Generation Application forms with the required information to the Cooperative and received written permission from the Cooperative to interconnect with the Cooperative's distribution.
9. The Cooperative limits the participants on this rate to a maximum connected generator capacity that is installed on the Cooperative's distribution lines as determined by the Cooperative through an engineering study. The Cooperative reserves the right to change this limit in the future without notice to Members.
10. This rate is subject to annual review and modifications as necessary and is subject to additional terms and conditions, as may be adopted from time to time by the Cooperative's Board of Directors.
11. In order to determine the Total Generator Nameplate Capacity as described in the Availability Section above, the total output is determined by the nameplate capacity rating, or in the event the nameplate capacity is not less than 40 kW, then the existence

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of any variable speed drive or other limiting device shall be factored into determining total generator nameplate capacity. The Member must fully, accurately and completely disclose in its interconnection application to the Cooperative, the technical specifications for any capacity limiting device contemplated and the Member shall furnish the Cooperative with any factory manuals or other similar documents requested by the Cooperative regarding such limiting or other control devices which factor into the calculation of total generator nameplate capacity. For purposes of measuring capacity, it shall be measured based on the highest fifteen (15) minute average demand of the unit in any one billing period.

12. Failure of the qualifying facility to operate its generators at a measured capacity below the 40 kW (DC) capacity limit shall result in the following:
 - a. The Cooperative will notify the member/qualifying facility of the fact that its generating equipment has failed to operate below the 40 kW maximum capacity and will provide the member/qualifying facility with the date, time and kW reading that substantiate this finding.
 - b. The Cooperative shall reimburse the member/qualifying facility for all metered electricity produced by said qualifying facility during the thirty (30) day period during which the failure occurred, at the Cooperative's Generation and Transmission Supplier's avoided cost rate.
 - c. The Cooperative shall continue to reimburse or credit the member/qualifying facility for subsequent electricity produced and delivered to the Cooperative pursuant to this distributed generation agreement, at the Cooperative's Generation and Transmission Supplier's avoided cost rate until:
 - i. The problem with the generator that caused it to operate at or above the statutory maximum capacity has been remedied; and,
 - ii. The Cooperative has been provided documentation adopted by an Iowa Professional Engineer that confirms the problem with the generator has been remedied.

After the above has successfully occurred and for a period of twelve months thereafter, the Member/qualifying facility will be compensated for electricity produced and delivered pursuant to this Agreement at the Cooperative's avoided cost rate. Thereafter, the Member/qualifying facility will again be entitled to net metering pursuant to this Rider, beginning on the first day after the twelfth month following successful completion of the conditions identified in subdivision 12(c) i and ii herein.

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If the Member/qualifying facility fails to comply with the requirements of paragraph 12(c) i and ii within a period of six (6) months after being notified by the Cooperative that its generating equipment has failed to operate below the 40 kW capacity or in the event said Member/qualifying facility fails to operate its generators below the 40 kW capacity limit for a second time, then the Member/qualifying facility will be paid the Cooperative's avoided cost rate for subsequent electricity produced and delivered.

4.0 Terms of Payment

A late payment charge of one and one-half percent (1.5%) per month of the past due amount will be added to the amount of the next bill if payment is not made within (20) days from the invoice date of the bill.

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