

DISTRIBUTED GENERATION (DG) RESOURCE RATE SCHEDULE

AVAILABILITY

This schedule is available at points on the Cooperative's interconnected system where existing facilities of adequate capacity and appropriate phase and voltage are available at the point of interconnection and additional investment by the Cooperative for new transmission, substation or terminal facilities is not necessary to accept specified power imports. Service provided under this rate schedule is subject to the established policies and procedures of the Cooperative.

APPLICABILITY

Service under this schedule is applicable to owners of distributed generation resources desiring to sell the output produced by the resource to the Cooperative and who are not using the DG Resource to serve their native load except that which is necessary to the production of energy. Each DG Resource interconnecting to the Cooperative's system will therefore be discretely and separately metered.

To remain eligible for service under this rate, the net energy supplied to the Cooperative as well as the capacity supplied less the demand required must be positive during at least 9 months of each calendar year following the date of commercial operation of the DG Resource which will be specified in the interconnection agreement with the Cooperative. DG Resources not complying with this provision will instead be treated as a retail load and served under the appropriate net metering rate.

TYPE OF SERVICE

Single-phase or three-phase, 60-cycle, alternating current at available distribution or transmission voltage measured through a single meter owned by the Cooperative.

DISTRIBUTED GENERATION INTERCONNECTION AGREEMENT

To remain eligible for service under this rate schedule, the owner of the DG Resource must have and remain in compliance with the terms and conditions of a Distributed Generation Interconnection Agreement with the Cooperative.

INTERCONNECTION REQUIREMENTS

Prior to interconnecting with the Cooperative, the DG Resource owner must provide the interconnection and transformation equipment necessary to satisfy the Cooperative's established policies and procedures, applicable electrical codes and standards, and laws and regulations of governmental entities having jurisdiction over the resource, land or transaction. The nature, operation and maintenance of such facilities will be further specified in the Distributed Generation Interconnection Agreement.

TAXES AND/OR FRANCHISE FEES

This rate shall be subject to all taxes and franchise fees levied or imposed by laws or ordinances which are incurred by the Cooperative.

DETERMINATION OF CAPACITY SUPPLIED AND DEMAND REQUIRED

The capacity supplied shall be the amount of power supplied to the Cooperative at the point of interconnection during the 30-consecutive minute period, measured in kW, coincident with the Cooperative's system peak demand during the month. The demand required shall be the amount of power supplied by the Cooperative to the DG Resource at the point of metering during the 30-consecutive minute period, measured in kW, coincident with the Cooperative's system peak demand during the month. The capacity supplied and the demand required shall be adjusted for power factor as described herein.

POWER FACTOR ADJUSTMENT

The DG Resource owner agrees to maintain unity power factor as nearly as practical. Capacity payments and demand charges will be adjusted when their average power factor during the month is lower than 95% lagging. When a member's average power factor is lower than 95% lagging during the month, the capacity supplied for the month will be lowered and the demand required for the month will be increased by an amount equal to the difference between a power factor of 95% lagging and the DG Resources average power factor for the month multiplied by the measured amount.

NET METERED ENERGY

The net metered energy supplied by the distributed generation resources to the Cooperative will be measured in kWh at the point of interconnection. Any negative amount of energy (which represents energy supplied to the Cooperative) will be purchased by the Cooperative at the rates established by this schedule or separately negotiated and so specified in the Distributed Generation Interconnection Agreement with the Cooperative. Any positive amount of energy, representing energy provided to the DG Resource will be deducted from payments to the owner or, if transferred to a net metering rate, billed to the owner.

TERMS OF BILLING AND PAYMENT

Payment for supplied energy and capacity is payable within 20 days following the end of the calendar month during which the energy and capacity was supplied less any charges owing to the Cooperative for load service provided.

OTHER SPECIAL PROVISIONS

The Cooperative's Board of Directors reserves the right to revise the rates under this schedule at any time. This same right shall extend to any Distributed Generation Interconnection Agreement then in force when the actual avoided cost for energy or the cost for capacity supplied or demand required differs from the rates set forth by those Distributed Generation Interconnection Agreements by more than 10%.

SMALL DISTRIBUTED GENERATION SERVICE (SDG)

Applicable to DG Resources with supplied capacity not exceeding 200 kW in any month of operation and who have a current Distributed Generation Interconnection Agreement with the Cooperative.

Net Metered Energy

Net metered energy supplied to the Cooperative will be purchased at a rate equal to the greater of the Cooperative’s avoided cost of energy purchases from the Bonneville Power Administration (BPA) at the rates prevailing at the time of delivery to the point of interconnection or at the Cooperative’s avoided cost of energy purchases from BPA as of the date DG Resource achieves commercial operations and adjusted for inflation by 2% per year thereafter during the term of the Distributed Generation Interconnection Agreement with the Cooperative.

The avoided cost of energy shall be based on the melded annual average of BPA’s load shaping rate less any discounts the Cooperative receives under the Low Density Discount Program, the cost of regulation and frequency response services, transfer spinning and supplemental reserves and transmission service spinning and supplemental reserves.

Capacity Supplied and Demand Required

Capacity supplied to the Cooperative will be purchased at a rate equal to the greater of the Cooperative’s avoided cost of demand charges incurred from the Bonneville Power Administration at the prevailing rate in the month of delivery to the point of interconnection or at the Cooperative’s avoided cost of demand charges incurred from BPA as of the date the DG Resource begins commercial operations and adjusted for inflation at 2% per year thereafter during the term of the Distributed Generation Interconnection Agreement. Demand required during the month will be billed at the same rate as capacity supplied.

The avoided cost of capacity supplied and demand required shall be based on the melded annual average of BPA’s demand charge less any discounts the Cooperative receives under the Low Density Discount Program, transfer service delivery charges, network transmission service charges and network transmission long term firm service charges.

Net metered energy supplied	=	\$0.02244 per kWh, less
Net metered energy required	=	\$0.02244 per kWh, plus
Capacity supplied	=	\$11.885 per kW, less
Demand Required	=	\$11.885 per kW

Duration of interconnection agreement and eligibility for rate specified above not to exceed 5 years.

LARGE DISTRIBUTED GENERATION SERVICE (LDG)

Applicable to DG Resources with supplied capacity equal to or exceeding 200 kW in any month of operation.

The terms, conditions and rates available to owners of Large Distributed Generation Resources for net energy supplied, capacity supplied and demand required will be no less than those currently applicable under the Small Distributed Generation Service Rate. Higher rates may be agreed to by the Cooperative, providing they are no greater than the actual avoided cost of power procurements by the Cooperative having similar power supply characteristics.

These rates are effective for billings rendered subsequent to October 1, 2018.