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205. Distributed Generation.

205.1 Application.

Applicable to Distributed Generation Facilities smaller than 10 MW of generation connected in parallel operation to the Cooperative’s electric system in accordance with the Cooperative’s service rules and regulations and the Cooperative’s *Distributed Generation Procedures and Guidelines Manual for Members* (“DG Manual”).

This rate is not applicable to temporary, shared, or resale service. This rate is applicable to service supplied at one point of delivery. This rate may be subject to requirements of Brazos Electric Power Cooperative, Inc.

205.2 Sales to Member.

Sales to a Distributed Generation Member referenced in 205.3 and 205.4 shall be consistent with the applicable retail rate tariff established by the Cooperative and in use by the Member as if there were no Distributed Generation installation. Each month’s bill to the Member shall not be less than the applicable minimum charge.

205.3 Purchases from a Member – Facility Classified as 50 KW of Connected Generation and Less.

For power produced in excess of on-site requirements, the Member shall be compensated by net metering. Net metering is defined as measuring the difference between the electricity supplied by the Cooperative and the electricity generated by the Member’s facility and delivered to the Cooperative’s electric system during a billing period.

The Cooperative shall bill the Member for the excess of energy supplied by the Cooperative over and above the energy supplied by the Member during each billing period according to the Cooperative’s applicable retail rate schedule.

When the energy supplied by the Member exceeds the energy supplied by the Cooperative during a monthly billing period, the monthly minimum charge of the retail rate schedule shall be billed by the Cooperative.

The Member shall be compensated for excess energy at the Cooperative’s avoided cost. For purposes of this tariff only, avoided cost shall be defined as the embedded purchased cost portion of the cooperative’s retail energy rate under which the member is billed plus the Power Cost Recovery Factor (PCRF) applicable for the month. The avoided cost shall be developed by the cooperative.

The Member’s compensation for the excess energy supplied to the Cooperative during the monthly billing period shall accumulate as a monetary credit to be applied to future energy purchases by Member. If at the end of the calendar year an accumulated monetary credit for the excess energy supplied to the Cooperative during the monthly billing period still exists, Cooperative will issue payment to Member equal to the amount of the remaining accumulated monetary credit. Accumulated credits, if any, will not carry forward to the next calendar year.

Compensation for the excess energy supplied by the member during the monthly billing period shall be defined as:

- For single-phase applications: The General Service–Single-Phase energy charge for generation as described in section 202.1 of this tariff combined with the monthly PCRF per kWh.
- For three-phase applications: The General Service–Three-Phase energy charge for the first 175 kWh per billed kW as described in section 202.3 of this tariff combined with the monthly PCRF per kWh.

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205.4 Purchases from a Member – Facility Classified as 50 KW of Connected Generation and Less than 1 MW of Connected Generation.

For power produced in excess of on-site requirements, the Member shall be compensated for the excess energy and demand at the Cooperative’s avoided cost. For purposes of this tariff only, avoided cost will be defined as the embedded avoided purchased demand and embedded avoided purchased power energy costs of the cooperative’s retail rate under which the member is billed plus the Power Cost Recovery Factor applicable for the month. The avoided cost shall be developed by the cooperative for each retail rate. Embedded cost shall be determined in the most recent cost of service study performed by Cooperative. Determination of billing units shall be accomplished by interconnection through a single meter with multiple registers with one measuring all energy supplied by the Cooperative and the other measuring all energy supplied by the Member.

For the Members with retail billing under the Cooperative’s demand rate, compensation for the demand wholesale power cost offset will be limited to demand occurring coincident with the Cooperative’s power supplier’s summer peak demand, as determined by the Cooperative. Reductions to demand so identified will be applied to retail billing beginning after the next peak season (June through September) and will continue until completion of the following year’s peak season, as long as the Member’s DG remains connected and operational.

The Cooperative shall bill the Member for the excess of energy supplied by the Cooperative over and above the energy supplied by the Member during each billing period according to the Cooperative’s applicable retail rate schedule.

When the energy supplied by the Member exceeds the energy supplied by the Cooperative during a monthly billing period, the monthly minimum charge of the retail rate schedule shall be billed by the Cooperative.

205.5 Purchases from a Member – Facility Classified as Greater than 1 MW and Less than 10 MW of Connected Generation.

Determination of billing shall be accomplished by interconnection through a single meter with multiple registers with one measuring all energy supplied by the Cooperative and the other measuring all energy supplied by the Member.

The Member shall be compensated for the excess energy at the Cooperative’s avoided monthly wholesale cost for energy and a percentage of the demand wholesale power cost offset by the Member’s DG production with such percentage to be determined by the Cooperative based on the timing of the Member’s DG production coincident with peak demand billing times.

Compensation for avoided monthly wholesale power cost for energy shall be defined as the most current, billed pricing for energy from Brazos Electric Power Cooperative, Inc. Compensation for the demand wholesale power cost offset, as determined by the Cooperative, will be applied following the peak season (June through September) and continue until completion of the following year’s peak season, as long as, (1) the Member’s DG remains connected and operational and (2) the Member’s DG continues to generate energy at a monthly level consistent with prior energy levels to justify continued demand compensation.

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There shall be no “net metering” for Distributed Generation facilities larger than 50 KW of connected generation. Net metering is defined as measuring the difference between the electricity supplied by the Cooperative and the electricity generated by the Member’s facility and fed back to the electric grid over the operable time period.

The Member shall be subject to any ERCOT and Brazos charges related to the Member’s DG facility, including but not limited to scheduling, dispatching and energy imbalance.

205.6 Additional Charges.

Each billing period the Member shall be obligated to pay the following additional charges:

A. Data Access – Communications Link.

Monthly fee per meter (required) \$25.00

B. Internet Access to Meter Data.

Monthly fee per meter (service only by Member request) \$50.00

C. Other Charges.

As determined at the sole discretion of the Cooperative on a case-by-case basis, the Cooperative may recover any additional recurring or direct costs related to the Member’s DG facility or purchases from Member.

205.7 Contracts Requirement.

An Interconnection Agreement between the Member and the Cooperative, as detailed in the DG Manual, shall be required in all cases and other contracts as needed.

206. Renewable Energy Credit Purchase Program

206.1 Renewable Energy Credit (REC).

A. Purpose.

A Renewable Energy Credit (REC) is created when an authorized renewable generator generates 1 MWh (1,000 kWh) of energy. There is a market for sale and retirement of RECs in Texas operated and managed by ERCOT, and created to assist in the encouragement of the development, construction and operation of renewable energy resources (See Public Utility Commission of Texas, 16 TAC § 25.173).

B. Cooperative Enrollment.

Upon registration of the Cooperative with ERCOT, the Cooperative may, subject to applicable rules and regulations, purchase, sell and retire RECs in the REC market.

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C. Member Enrollment.

The Cooperative will offer its Membership, limited to Members on single-phase service (whether residential or small commercial), the opportunity to purchase 1 REC per monthly billing cycle in order to support renewable energy generation in the State of Texas, with such purchases to be pursuant to terms and conditions prescribed by the Cooperative and applicable rules and regulations. Upon purchase by a Member, the REC is deemed retired and such REC is not subject to resell.

- (1) The monthly rate per REC to be sold and retired will be calculated based upon the Cooperative's market purchase price of the REC. The rate will be published on the Cooperative's web site and in the Cooperative's monthly magazine.
- (2) For Members with multiple sub accounts, the REC Program monthly charge will be added only to the one sub account as directed by the Member.
- (3) A Member can enroll or remove the Member's account from the REC Program at any time. If a Member enrolls, the Member's account during a billing cycle, the enrollment will not be effective until the next full billing cycle.

If a Member removes the Member's account from the program during a billing cycle, the current billing cycle will still include the REC certificate and charge for that month. The following month will not include any REC Program charge.

D. Retirement of Unpurchased RECs.

The Cooperative reserves the right to retire any unpurchased RECs prior to their expiration in the market.