

COGENERATION AND SMALL POWER PRODUCTION
100 KW OR LESS

DESCRIPTION OF OFFERING:

This is a standard schedule for the purchase of the output of qualifying cogeneration or small power production facilities with a total capacity of 100 kW or less.

AVAILABILITY:

This schedule is available in all areas served by the Cooperative to Customers who:

1. Own and/or operate an electric power generation facility using cogeneration or fuels derived from biomass, waste, or renewable energy sources, including wind, solar insolation, or water, which is a "qualifying facility" as prescribed by rules of the Federal Energy Regulatory Commission pursuant to Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978, and which has a total nameplate or effective capacity (whichever is greater) of 100 kW or less, in parallel with the Cooperative's electric system for the purpose of generating power for the Customer's own consumption, or for sale to the Cooperative or both, and
2. Employ equipment which is compatible with the Cooperative's electric system at the Customer's delivery point which will cause no damage to the Cooperative's electric system or equipment, or present an undue hazard to Cooperative personnel, and
3. Execute a special Electric Service Agreement for interconnection and parallel operation with the Cooperative.

PURCHASE RATES:

1. Energy. The Cooperative will pay the Customer for the metered energy output of the Customer's qualifying facility at a rate equal to the avoidable fuel and energy components of the Cooperative's wholesale rate. The exact value of the rate will be determined in each billing period from the actual avoided fuel and energy components in the Cooperative's most recent wholesale power bill for the wholesale delivery point to which the Customer's qualifying facility is electrically connected. The total payment by the Cooperative to the Customer for energy in any billing period shall not exceed the total amount of energy costs that are determined to have been avoided by the Cooperative as a result of the energy output of the Customer's qualifying facility.
2. Capacity. If it can be determined that the Cooperative can avoid any capacity components of the Cooperative's wholesale rate as a result of the metered capacity output of the Customer's qualifying facility, then the cooperative will negotiate a

capacity purchase rate with the Customer. The negotiated value of the rate shall be based on the actual net reduction in the Cooperative's wholesale capacity costs resulting from the metered capacity output of the Customer's qualifying facility. The total payment by the Cooperative to the Customer for capacity in any billing period shall not exceed the total amount of capacity costs that are determined to have been avoided by the Cooperative as a result of the capacity output of the Customer's qualifying facility.

3. Optional Time Differentiated Rates. At the Customer's request, the Cooperative will purchase, install and maintain, at the Customer's expense, a meter for recording the energy and/or capacity output of the Customer's qualifying facility time of use. The Cooperative will pay the Customer for the metered output of the Customer's qualifying facility at time differentiated rates which:
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- a. reflect any time differentiation of the avoidable components of the Cooperative's wholesale rate,
 - b. incorporate time differentiated costing methodologies which have been ordered by the Kansas Corporation Commission.

The total payment by the Cooperative to the Customer under time differentiated rates in any billing period shall not exceed the total amount of wholesale power costs that are determined to have been avoided by the Cooperative as a result of the output of the Customer's facility.

4. Avoided Cost Information. Because the rates for purchase of the output of the Customer's qualifying facility are to be based on actual wholesale billing analyses which may cause the effective purchase rate to vary somewhat from month to month, the Cooperative will, at a Customer's request, provide any Customer with example calculations of the avoidable wholesale power components for a twelve-month period based on the most recent available wholesale power bill.
5. Calculation and Payments. Because the total amount of payments by the Cooperative to the Customer in any billing period will depend on actual wholesale power bill components, the Cooperative will calculate and make payments for the output of the Customer's qualifying facility in any billing period only after the Cooperative has received both:
- a. All necessary information on the metered output of the Customer's qualifying facility, including data processing of capacity output metering data in the event that capacity payments are being made and
 - b. The wholesale power bill which coincides with the billing period for which the output of the Customer's qualifying facility has been metered.

INTERCONNECTION COSTS:

The Customer shall reimburse the Cooperative for any equipment or facilities required as a result of the installation by the Customer of generation in parallel with the Cooperative's electric system.

The Customer shall pay all costs of the Cooperative to extend its facilities or modify them at the time of interconnection or at some future time, in order to purchase the output of the Customer's qualifying facility.

ELECTRIC SERVICE:

The Cooperative will provide electric service to the Customer and charge the Customer customer charges, minimum charges, metered billing period consumption, and other charges in accordance with the applicable Electric Service Agreement, and filed Rate Schedules, and Rules and Regulations in effect for electric service Customers in like circumstances.

TERMS AND CONDITIONS:

The Cooperative requires that the Customer execute a special Electric Service Agreement which establishes the terms and conditions under which the Cooperative will interconnect with and purchase energy from the Customer. A copy of the special agreement can be obtained for review at the Cooperative's main office. The Cooperative and the Customer, as mutually agreeable, may negotiate terms and conditions different than those in the special Electric Service Agreement.

Service under this schedule is subject to the Rules and Regulations of the Cooperative as they currently exist or may be amended from time to time.