

PARALLEL GENERATION RIDER– PGR-25

1. DEFINITIONS.

- a. Governing Statute. KSA 66-1,184
- b. Member-generator: The owner or operator of a qualified electric energy generation unit which:
 - i. Is interconnected and operated in parallel phase and synchronization with the Cooperative for the purpose of feeding excess electrical power which is generated by the members energy-producing system into the Cooperative's system.
 - ii. Has entered a interconnection agreement and Service Agreement with the Cooperative.
 - iii. Is located on a premises owned, operated, leased, or otherwise controlled by the member-generator.
 - iv. Meets all applicable safety, performance, interconnection, and reliability standards established by the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, the Federal Energy Regulatory Commission, and any local governing authorities.
- c. GENERATING CAPACITY. The nameplate maximum output of the Distributed Energy System.
- d. Interconnection Agreement. The LSEC Application for Operation of an Interconnected Member-Owned Distributed Energy System
- e. Avoided Cost – As defined in K.S.A. 66-1,184 et seq., the incremental cost to a utility of electric energy that such utility would generate itself or purchase from another source and as such term is interpreted by the Federal Energy Regulatory Commission from time to time. The Avoided Cost of energy (per kilowatt-hour) delivered by the Member to the Cooperative from the Distributed Energy System shall be calculated monthly using the Cooperative's wholesale power providers billing as the total cost of standard delivered power to the same rate class divided by the number of kilowatt-hours purchased by the cooperative under that wholesale rate schedule for the period of avoided cost.
- f. Distributed Energy System – As defined in K.S.A. 66-1,184 et seq., any device or assembly of devices and supporting facilities that are capable of feeding excess electric power generated by a Member's energy producing system into the utility's system, such that all energy output and all other services will be fully consumed by the Member or the utility.
- g. Export – As defined in K.S.A. 66-1,184 et seq., power that flows from a Member's electrical system through such Member's billing meter and onto the utility's electricity lines. Export includes the sum of power on all phase conductors. The Export capacity of a Member's Distributed Energy System shall be appropriately sized to primarily offset part or all the member-generator's anticipated electrical load requirements, as calculated in the Cooperative's Interconnection Agreement.

2. **APPLICABILITY.** This Rider is applicable to Distributed Energy Systems where the Member is in good standing with Cooperative and taking service under one of the Cooperative's normal rate schedules; provided, however, this Rider shall not be applicable to any member who has a new or expanded facility that receives electric service at a voltage of 34.5 kV or higher and commences service on or after July 1, 2025, unless approved by the Cooperative.

Service under this section shall be subject to the Cooperative's Tariff for Electric Service, rules and regulations.

3. **AVAILABILITY.** Service is available under this Parallel Generation Rider (Rider) at points on the Cooperative's delivery system for Members that desire to interconnect a Distributed Energy System owned by the Member to the Cooperative's delivery and metering system for the purpose of exporting excess electrical power generated by the Member's Distributed Energy System to the Cooperative's system. This device will be installed on the Member's secondary system behind the Member's active retail electric meter.

The Cooperative will make parallel generation service under this Rider available to members on a first-come, first-served basis until the Cooperative's aggregate Export capacity from all Distributed Energy Systems, equals or exceeds the following:

- a. Commencing on July 1, 2025, 6% of the Cooperative's historic retail peak demand; and
- b. Commencing on July 1, 2026, 7% of the Cooperative's historic retail peak demand; and
- c. Commencing on July 1, 2027, and each year thereafter, 8% of the Cooperative's historic retail peak demand.

Upon reaching any of the above-described limits, no further service shall be available under this Rider unless approved by the Cooperative. Historic retail peak demand for the purpose of this Rider shall not include additional demand of any new or expanded facility of an industrial, commercial or data center member that receives electric service at a voltage of 34.5 kV or higher and commences service on or after July 1, 2025.

4. CHARACTER OF SERVICE. Alternating current, 60 cycles, at the voltage and phase of the Cooperative's established primary or secondary distribution system immediately adjacent to the service location.
5. BILLING AND PAYMENT. The Cooperative shall render a bill for consumption at approximately 30-day intervals during the Cooperative's normal billing interval.
 - a. Billing by the Cooperative to the Member shall be in accordance with the applicable rate schedule. For electrical energy exported by the Member to the Cooperative from the Distributed Energy System, the Cooperative shall pay per kilowatt-hour one-hundred percent (100%) of the Cooperative's Avoided Cost of energy.
 - b. In no case will the Cooperative issue an invoice to the Member for the energy exported to the Cooperative by the Member's Distributed Energy System.
 - c. The Cooperative cannot guarantee that the wholesale power providers metering and billing period will match the Cooperatives metering and billing period. Therefore, the Avoided Cost of wholesale power shall be applied as closely as possible to the Cooperative's metering and billing period. Any Avoided Cost credit due to the member will be applied to next month's Cooperative billing.
6. INTERCONNECTION COSTS. The Cooperative may assess a fair and reasonable nonrefundable interconnection application fee to recover any applicable costs incurred by the Cooperative for any study conducted to verify and allow the requested export capacity to be interconnected at the Members point of delivery, including, but not limited to, required costs incurred as a result of the Southwest Power Pool study processes and costs associated with any related system upgrade costs, devices, and equipment required to be furnished by the utility for the provision of accepting the requested export capacity.
7. TERMS AND CONDITIONS.
 - a. No such apparatus or device shall be attached or energized that could either cause damage to the Cooperative's system or equipment or present an undue hazard to utility personnel.
 - b. The Cooperative will provide written notice of receipt of any application submitted within 30 days following such receipt. The Cooperative will approve or deny such application or a request for system certification pursuant to such an application within 90 calendar days following receipt of such application or request. If one or more additional studies are required, the Cooperative shall not be subject to such 90-day deadline but shall provide the applicant with an estimated time frame for action and shall act on such application as soon as practicable after such studies are completed. If the Cooperative denies such application or request, the Cooperative will provide the applicant a list of reasons for the denial and the corrective actions needed for approval.
 - c. The Cooperative will supply, own, and maintain all necessary meters and associated equipment utilized for billing. In addition, and for the purposes of monitoring member generation and load, the Cooperative may install at its expense, load research metering. The

member shall supply, at no expense to the utility, a suitable location for meters, easement and access, and associated equipment used for billing and for load research.

- d. The member shall furnish, install, operate, and maintain in good order and repair and without cost to the Cooperative, such relays, locks and seals, breakers, automatic synchronizer, and other control and protective apparatus as shall be designated by the Cooperative as being required as suitable for the operation of the generator in parallel with the Cooperative's system.
- e. The member shall install and maintain a visible, manual disconnect switch. This manual switch must have the capability to be locked out by Cooperative personnel to isolate the Cooperative's facilities in the event of an electrical outage on the Cooperative's transmission and distribution facilities serving the member. This isolating device shall also serve as a means of isolation for the member's equipment during any member maintenance activities, routine outages, or emergencies. The Cooperative shall give notice to the member before a manual switch is locked or an isolating device used, if possible; and otherwise, shall give notice as soon as practicable after locking or isolating the member's facilities.
- f. The member shall notify the Cooperative prior to the initial energizing and start-up testing of the member-owned generator.
- g. If harmonics, voltage fluctuations, or other disruptive problems on the Cooperative's system are directly attributable to the operation of the member's system, such problem(s) shall be corrected at the member-generator's expense.
- h. For the purposes of ensuring the safety and quality of utility system power, the cooperative shall:
 - i. Have the right to require the member, at certain times and as electrical operating conditions warrant, to limit the production of electrical energy from the generating facility to an amount no greater than the load at the member's facility of which the generating facility is a part.
 - ii. Have the right to disconnect the member-generator's facilities subject to the Cooperative's Rules and Regulations as adopted by the Board of Trustees.
- i. The Cooperative shall not be liable directly or indirectly for permitting or continuing to allow an attachment of the facility or for the acts or omissions of a member-generator that cause loss or injury, including death, to any third party. The member-generator agrees to hold the Cooperative harmless from injury or property damage incurred by any person and arising out of the ownership, operation, maintenance, or use of the parallel generation facility and to indemnify the Cooperative against all liability and expense related thereto.
- j. The meter is the property of the Cooperative. Each meter connected under this Rider defines a member-generator and is the point of ownership transition between the Cooperative and the member-generator.
- k. A generator owned or operated by a member generator cannot be connected in common with any other meter or be deemed to be for the purpose of serving the load connected to any other meter.
- l. Service under this Rider is subject to the Cooperative's Tariff as adopted by the Board of Trustees and any subsequently approved modifications that may be adopted by said Board during the term of service.