Canoochee EMC

Board Policy No. 310

Distributed Generation Policy

February 2020

Canoochee EMC
Reidsville, Georgia

Distributed Generation Policy

INDEX

Page No.

I. Preface..... 1

II. Objectives..... 1

III. Definitions..... 1

IV. Application Process..... 2

V. Requirements for Initial Interconnection..... 3

VI. Metering..... 4

VII. Obligations to Purchase Energy..... 4

VIII. Charges for Interconnection and Metering..... 4

APPENDICES:

Appendix A – Application Form for Interconnection of Distributed Generation Facility..... 5

Appendix B – Distributed Generation Facility Interconnection Agreement..... 7

Appendix C – Net Billing Service Price Schedule..... 14

I. Preface

Canoochee Electric Membership Corporation wants to provide its members with the best electric service at the lowest cost. Canoochee Electric Membership Corporation hereafter will be referred to as Canoochee EMC or the Cooperative. In recent years, the number of inquiries from members interested in installing their own generation equipment has escalated. Canoochee EMC is prepared to work with its members so that the equipment installed operates in a safe and effective manner. Any Generator connected under this policy will be subject to all applicable federal, state, and local inspections, standard, codes, and all such approvals are required prior to system interconnection. Continued compliance to all such regulations is mandatory for interconnection.

II. Objectives

This policy outlines the minimum requirements for connecting generation to Canoochee EMC's distribution system. A definition for Distributed Generator for the purposes of this document can be found in the following section. Distributed Generation includes rotating generators driven by steam turbine, internal combustion engines, hydro electric, windmills and photovoltaic panels with a DC to AC inverter. Canoochee EMC will address each Distributed Generation location on a case-by-case basis. The policy is not applicable to locations where the generator is not directly tied to the distribution system during generation. This would not include the situation where the member has a backup generator that is isolated from the system and only runs when the power is out on Canoochee EMC's distribution system

III. Definitions

The following words and terms shall have the following meanings unless the context clearly indicates otherwise:

1. **"Billing Period"** means, as to a particular customer, the time period between the dates on which the Cooperative normally reads the retail service meter for billing purposes.

2. **"Bi-directional"** is a meter capable of measuring (but not necessarily displaying) electricity flow in both directions.

3. **"Bi-directional Metering"** means measuring the amount of electricity supplied by the Cooperative and the amount of electricity fed back to the Cooperative by the member's distributed generation facility using a single meter.

4. **"Customer"** means a member of Canoochee EMC.

5. **"Customer Generator"** means a member who is the owner and operator of a distributed generation facility.

6. **"Distributed Generation Facility"** means a facility owned and operated by a member of the Cooperative for the production of electrical energy that:

   A. Uses a fuel cell or a renewable energy source;
   B. Has peak generation capacity of not more than 10 kW metered demand for a residential application and 50 kW metered demand for a commercial application;
   C. Is located on the member's premises;
   D. Operates in parallel with the Cooperative's distribution facilities;
   E. Is connected to the Cooperative's distribution system on either side of the Cooperative's retail service meter; and
   F. Is intended primarily to offset part or all of the customer demands for electricity.

7. **"Net Billing Customer"** means a member with a generator receiving net billing service.

8. **"Net Billing"** means billing the difference of the measured energy, over the billing period, supplied to a Customer Generator from the electric grid (billed at the applicable retail rate) and the electricity generated and fed into the electric grid by the Customer Generator (cost paid in accordance with Net Billing Service Price Schedule), using a bi-directional meter or an additional single direction meter.

9. **"Renewable Energy Sources"** means energy supplied from technologies such as a solar photovoltaic system, wind turbine, biomass system, or other technologies approved in the Georgia Green Pricing Accreditation Program.

IV. Application Process

A prospective Customer Generator that intends to interconnect with the Cooperative's distribution system must:

1. Submit a completed Application for Interconnection of Distributed Generation Facility (see Appendix A), including all attachments to the Cooperative at least forty-five (45) days prior to the date the

customer intends to interconnect the distributed generation facility to the Cooperative's electric distribution system to allow time adequate time to proper model the potential impacts of the interconnection.

2. A representative from Canoochee EMC will review the application and notify the prospective customer generator within thirty (30) days if the application is approved or not approved. Any review or acceptance of the Application by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of the customer generator's equipment to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of the customer's distributed generation facility and does not in any way guarantee the efficiency, cost effectiveness, safety, durability, or reliability of the proposed distributed generated facility to be interconnected.

V. Requirements for Initial Interconnection

A Customer Generator may begin operation of his distributed generation facility on an interconnected basis when:

1. The Application Process set forth in Section IV above has been completed.

2. The customer has executed the Distributed Generation Facility Interconnection Agreement with the Cooperative and is in compliance with all requirements set forth therein, including all applicable safety, power quality, and interconnection requirements established by the National Electric Code, National Electric Safety Code, the Institute of Electrical and Electronic Engineers, American National Standards Institute, National Electric Manufacturers Association and Underwriters Laboratories. The customer must also receive any or all required local approvals from the governing inspectors. The Cooperative may adopt additional safety, power quality, and interconnection requirements.

3. The member has paid to the Cooperative all applicable charges and fees set forth in the Distributed Generation Facility Interconnection Agreement.

4. The customer has made all payments required by and has otherwise complied with the conditions for extension or modification of the Cooperative's distribution system as may be determined herein and as set forth in the Cooperative's service rules and regulations.

5. The member has submitted to the Cooperative a copy of the final, signed, jurisdictional approval (Permit) for the customer's distributed generation facility from local government entity with jurisdiction over the customer's distributed generation facility (generally the local building and inspection department).

6. The Cooperative has provided the customer with written authorization to operate in parallel with the distributed generation facility.

VI. Metering

The cooperative will use either a single-directional or bi-directional meter depending upon how the distributed generation facility is connected to the distribution system. If the distributed generation facility is connected to the distribution system on the Customer Generator's side of the retail service meter, the Cooperative will use a bi-directional meter for net billing. If the distributed generation facility is connected to the distribution system on the Cooperative's side of the retail service meter, the Cooperative will install an additional single directional meter for net billing at the member's expense.

VII. Obligations to Purchase Energy

When the electricity generated by the Customer Generator's distributed generation facility exceeds the premises needs, energy (kwh) supplied to the Cooperative's electric grid during the billing period will be credited to or paid to the Customer Generator, in accordance with the Cooperative's Net Billing Service Price Schedule. However, the Cooperative will only be required to purchase such energy from Customer Generators on a first-come, first-serve basis until the cumulative generating capacity of all the Customer Generator's renewable energy resources equals 0.2 percent of the Cooperative's annual peak demand from the previous year.

VIII. Charges for Interconnection and Metering

The Customer Generator shall be responsible for all costs of installing, operating, and maintaining protective equipment and/or electrical facilities required to interconnect with the Cooperative's distribution system. The Customer Generator shall be charged for the direct cost incurred by the Cooperative as a result of the interconnection and for providing net billing service. Said charges will be determined in accordance with the Cooperative's Net Billing Service Price Schedule.

Appendix A

Application Form For Interconnection Of Distributed Generation Facility

Canoochee Electric Membership Corporation

Application for Interconnection of Distributed Generation Facility

This application should be completed and returned to the Cooperative Customer Service Representative or other designated employee at least forty-five (45) days prior to the customer's proposed interconnection date in order to begin processing the request. **Customers must not operate their distributed generation facilities in parallel with Canoochee EMC's distribution system until they have received written authorization for parallel operation from Canoochee EMC. Unauthorized parallel operation of customer's distributed generation facilities could result in injury to persons and/or damage to equipment or property.**

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SECTION 1 - CONTACT INFORMATION

A. CUSTOMER/APPLICANT INFORMATION

Customer/Applicant Name: _____
Mailing Address: _____
City: _____ County: _____ State: _____ Zip Code: _____
Phone Number: _____ Representative: _____
Email Address: _____ Fax Number: _____

B. ELECTRICAL CONTRACTOR

Company: _____
Mailing Address: _____
City: _____ County: _____ State: _____ Zip Code: _____
Phone Number: _____ Representative: _____
Email Address: _____ Fax Number: _____

SECTION 2 - GENERATING FACILITY INFORMATION

Generator Type (Check One) Photovoltaic ___ Wind ___ Fuel Cell ___ Hydro ___
Other _____
Generator Manufacturer: _____
Generator Model Name & Number: _____
Generator Power Rating (KW): _____
Disconnect Switch Manufacturer / Model Number: _____
Disconnect Switch Rating (A): _____
INVERTER DATA (if applicable)
Manufacturer: _____ Model: _____
Rated Power Factor (%): ____ Rated Voltage (Volts): ____ Rated Amperes: _____

Inverter Type (ferroresonant, step, pulse-width modulation, etc): _____
Type commutation: forced line
Harmonic Distortion: Maximum Single Harmonic (%) _____
Maximum Total Harmonic (%) _____

Note: Attach all available calculations, test reports, and oscillographic prints showing inverter output voltage and current waveforms.

SECTION 3 - ONE-LINE DIAGRAM AND ADDITIONAL INFORMATION

In addition to the items listed above, please attach **a detailed one-line diagram of the proposed facility,** all applicable elementary diagrams, major equipment, (generators, transformers, inverters, circuit breakers, protective relays, etc.) specifications, test reports, etc., and any other applicable drawings or documents necessary for the proper design of the interconnection. Also describe the project's planned operating mode (e.g., combined heat and power, peak shaving, etc.).

SECTION 4 - INSTALLATION INFORMATION

Installation Date: _____ Proposed Interconnection Date: _____

AGREE AND ACCEPT

Customer agrees to provide the Cooperative with any additional information required to complete the interconnection. Customer shall operate his equipment within the guidelines set forth by the Cooperative.

_____ _____
Customer/Applicant Date

****

ELECTRIC COOPERATIVE CONTACT FOR APPLICATION SUBMISSION AND FOR MORE INFORMATION:

Cooperative Contact: _____
Title: _____
Address: _____
_____
Phone: _____ Fax: _____
E-mail: _____

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Appendix B

Distributed Generation Facility Interconnection Agreement

Canoochee Electric Membership Corporation

Distributed Generation Facility Interconnection Agreement

This agreement made _____, 20__ between Canoochee Electric Membership Corporation (hereinafter called "Cooperative"), and _____ _____ located at _____(hereinafter called the "Customer Generator").

WITNESSETH:

WHEREAS, the Cooperative is an electric membership corporation providing retail electric service; and

WHEREAS, the Customer Generator is a member of the Cooperative; and

WHEREAS, the Customer Generator desires to install, own, operate and maintain a distributed generation facility as defined in the Cooperative's Distributed Generation Policy; and

WHEREAS, the Customer Generator desires to interconnect with the Cooperative's electric distribution system (hereinafter called "System") of the Cooperative and has complied with the provisions for the interconnection contained in the Cooperative Distributed Generation Policy; and

WHEREAS, the Customer Generator desires to operate its generation equipment in parallel with the Cooperative's System.

NOW THEREFORE, it is understood and agreed that the Cooperative shall permit the Customer Generator to connect its generation system to the System and to operate its generation equipment in parallel with the System subject to the following terms and conditions:

1. COST OF INTERCONNECTION AND PROTECTIVE EQUIPMENT:

The Customer Generator shall be responsible for all costs of installing, testing, operating and maintaining protective equipment and/or electrical facilities required to interconnect the Customer's generation equipment with the System and for providing net billing service.

2. OPERATING LIMITS:

Operation of Customer Generator-owned parallel generating equipment shall not compromise the quality of electric service to other members on the system. The Customer Generator's parallel generating equipment shall meet the following minimum requirements:

A. **Voltage** - The Customer Generator shall be capable of operating its generating equipment at a voltage level of plus/minus 6% of nominal system voltage. Utility grade negative sequence/under-voltage relaying shall be used to trip the equipment off the line for negative excursions exceeding 8.25% of nominal for a maximum duration of six electrical cycles. Positive excursions exceeding 10% of nominal voltage shall cause the equipment to trip off line in one second maximum total clearing time. Voltage regulating equipment shall maintain stable excitation levels with negligible hunting (less than 2% of nominal phase current). The Cooperative and Generator Customer will refer to the current version of ANSI standard pertaining to this matter if further guidance is needed.

B. **Flicker** - Parallel operation of the generating equipment shall not cause voltage flicker in excess of 2% of nominal line voltage, as measured at the primary terminals of the Customer Generator's generator interface transformer.

C. **Frequency** - While operating in parallel with the System, the Customer Generator must provide a utility grade precision over/under frequency relay calibrated to trip for frequency excursions exceeding plus/minus 0.25 Hz for greater than 10 electrical cycles on a 60 Hz base.

D. **Power Factor** - Customer Generator-owned generation shall employ automatic means of reactive power regulation while operating in parallel with the System. The Customer Generator's generating equipment shall be capable of operation within the range of 0.8 lagging to 0.8 leading power factor as required by the Cooperative.

E. **Harmonics** - Total current harmonic distortion shall not exceed 5.0%. Total voltage harmonic distortion shall not exceed 5.0%, with a limit of 1.0% on any individual harmonic. Special consideration will be given to regenerative drive systems, and invertors will be reviewed on an individual case-by-case basis.

F. **Stability** - While operating in parallel with the System, the Customer Generator's generating equipment shall maintain a stable output level with no noticeable hunting exhibited. In the event a system instability condition arises due to Customer Generator-owned generation, it is the Customer Generator's responsibility to take measures to rectify the source of instability.

3. GENERATOR INTERFACE TRANSFORMER:

The generator interface transformer is intended to provide isolation of the Customer Generator's generating equipment from the System. The inherent impedance of the transformer will minimize the impact on the System due to faults originating at the Customer Generator's generation equipment. This transformer may consist of an existing transformer serving the Customer Generator's loads or a dedicated transformer dictated by generator of prevailing system characteristics. The Cooperative determines interface transformer

specifications and the determination of ownership of said transformer shall be the Cooperative's decision.

4. GENERATOR PARALLELING BREAKER:

It is required that a generator-paralleling breaker be of draw-out construction, electrically operated, and rated at a minimum as a five electrical cycle device for fault clearing or tripping.

5. SYNCHRONIZATION:

It is the Customer Generator's responsibility to provide proper synchronizing of its parallel generating equipment. The Cooperative assumes no liability for any Customer Generator-owned generation and assumes that the Customer Generator operates its equipment at its own risk. Synchronizing equipment shall be capable of matching frequency within plus/minus 0.05 Hz and plus/minus 10 electrical degrees phase angle prior to paralleling breaker closure. Voltage shall be matched within plus/minus 4%.

6. SAFETY:

A. Operation of Customer Generator-owned generation equipment shall not present a safety hazard to the Cooperative employees, other members connected to the System, or the public at large. Under no circumstances shall the Customer Generator-owned generation be used or be capable of energizing a dead System circuit. A positive means of disconnection and locking out the Customer Generator-owned generation equipment with visible air-gap shall be provided to insure safety of Cooperative operating personnel during line maintenance. This disconnecting means may be via a lockable air-break disconnect or by a lockable draw-out circuit breaker.

B. It is not the intent of this document to specify protection of the Customer Generator's generator. Protection of the Customer Generator's generating equipment is the responsibility of the Customer Generator and the Cooperative assumes no liability for damage or failure of the Customer Generator's generation equipment.

C. The Customer Generator must provide verification that a qualified independent electrical engineer licensed to practice in Georgia has certified that the required manual disconnect switch has been installed properly; that the distributed generation facility has been installed in accordance with the manufacture's specifications; and that the installation meets all applicable safety, power quality, and interconnection requirements established by the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, American National Standards Institute, National Electric Manufacturers Association and Underwriters Laboratories, as well as any federal, state and local inspections, standards and codes that pertain to the installation.

D. The Customer Generator must provide verification that the vendor has certified that the distributed generation facility, which has been installed, is in compliance with the requirements established by Underwriters Laboratories or other national testing laboratories.

E. Prior to the initial interconnection of the Customer Generator's distributed generation facility to the Cooperative's distribution system, the Customer Generator will submit to the Cooperative a copy of the signed jurisdictional approval (PERMIT) for Customer Generator's distributed generation facility from the local government entity with jurisdiction over the Customer Generator's distributed generation facility (generally the local building and inspections department).

F. In the case of static inverter-connected renewable fuel generators with an alternating current capacity in excess of I0 kilowatts of demand, the Customer Generator must have the inverter settings inspected by the Cooperative. The Cooperative may impose a fee on the Customer Generator for such inspection.

G. In the case of non-static inverter-connected renewable fuel generators, the Customer Generator must interconnect according to the Cooperative's interconnection guidelines, and the Cooperative must inspect all protective equipment settings. The Cooperative may impose a fee on the Customer Generator for such inspection.

7. LIMITATION OF LIABILITY AND IDEMNIFICATION:

Notwithstanding any other provision in the Agreement, with respect to the Cooperative's provision of electric service to Customer Generator and the services provided by the Cooperative pursuant to this Agreement, the Cooperative's liability to Customer Generator shall be limited as set forth in accordance with this paragraph.

For the purposes of this Agreement, a Force Majeure event is any event: (a) that is beyond the reasonable control of the affected Party; and (b) that the affected Party is unable to prevent or provide protection against by exercising reasonable diligence, including the following events or circumstances, but only to the extent that they satisfy the preceding requirements: acts of war, public disorder, legal cease and desist orders, rebellion, or insurrection, floods, hurricanes, earthquakes, lightning storms, or other natural calamites; explosions or fires; strikes, work stoppages or labor disputes; embargoes; and sabotage. If a Force Majeure prevents a Party from fulfilling any obligations under this Agreement, such Party will promptly notify the other Party in writing and will keep the other Party informed on a continuing basis as to the scope and duration of the Force Majeure event. The affected Party will specify the circumstances of the Force Majeure event, its expected duration, and the steps that the affected Party is taking to mitigate the effect of the event on its performance. The effected party will be entitled to suspend or modify its performance of obligations under this Agreement, but will use reasonable

efforts to resume its performance of obligations under this Agreement as soon as possible. *ALL PROVISIONS NOTWITHSTANDING, IN NO EVENT SHALL THE COOPERATIVE BE LIABLE TO THE CUSTOMER GENERATOR FOR ANY INTEREST, LOSS OF ANTICIPATED REVENUE, EARNINGS, PROFITS, OR INCREASED EXPENSE OF OPERATIONS, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION OF CUSTOMER GENERATOR'S PREMISES OR FACILITIES FOR ANY INDIRECT, INCIDENTIAL, OR CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED, IN WHOLE OR PART, TO THIS AGREEMENT.* The Cooperative shall not be liable in any event for consequential damages.

The Customer Generator shall assume all liability for and shall indemnify the Cooperative and its members, trustees, directors, officers, managers, employees, agents, representatives, affiliates, successors and assigns for and shall hold them harmless from and against any claims, losses, costs, and expenses of any kind or character to the extent that they result from the Customer Generator's design, construction, installation, operation or maintenance of the Facilities or Interconnection Facilities. Such Indemnity shall include, but is not limited to, financial responsibility for (a) monetary losses; (b) reasonable costs and expenses of defending an action or claim; (c) damages related to death or injury; (d) damages to property; and (e) damages for the disruption of business.

The Cooperative and Customer Generator shall each be responsible for the safe installation, maintenance, repair, and condition of their respected lines, wires, switches, or other equipment or property at the point of interconnection. All equipment installed and paid for wholly by the Cooperative shall be owned, operated, and maintained by the Cooperative; and all equipment installed or paid for through requirement of this agreement that is not specifically designated as the Cooperative's by written agreement, shall be owned, operated, and maintained by the Customer Generator. The Cooperative does not assume any duty of inspecting the Customer Generator's lines, wires, switches, or other equipment or property. The Customer Generator assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith.

8. INSURANCE:

The Customer Generator agrees to take out and maintain throughout the term of this Agreement adequate liability insurance; and, if applicable, worker's compensation and employer's liability, as required by law, covering all the Customer Generator's employees or representatives who perform any obligations of the Customer Generator set for herein.

A. The Cooperative shall be named as an Additional Insured on all the Customer Generator's policies of insurance.

B. A current certification of the Customer Generator's insurance policies with the Cooperative being named as an Additional Insured must be on file with the Cooperative at all times. The policies of insurance shall be in such form and issued by such insured as shall be satisfactory to the Cooperative. The Customer Generator shall furnish the Cooperative a certificate evidencing compliance with the foregoing requirements within the first 30 days of each insurance policy renewal term, and shall provide not less than 30 days prior written notice to the Cooperative of any cancellation or material change in the insurance.

9. TESTING:

The Customer Generator shall retain a qualified independent electrical engineer licensed to practice in Georgia to maintain and annually test system protective relaying for the Customer Generator's generating equipment. Upon demand, the Customer Generator shall produce records of testing and relay setting sheets for review by the Cooperative.

The Customer Generator shall verify proper tripping and lockout of the generator system for all defined faults, as determined by the Cooperative during final review of system relay requirements. Failure to maintain records will be grounds for refusal of permission to operate parallel generating equipment. Under no circumstances shall parallel generating equipment be operated with inoperative or defective protective relays. The Cooperative, at the expense of the Customer Generator, will perform testing and maintenance of inter-tie package.

10. ACCESS:

The Cooperative shall have access at all times to the Customer Generator's premises for the purpose of meter reading and performing operations and maintenance activities. The Cooperative reserves the right, but not the obligation, to inspect the Customer Generator's distributed generation facility.

11. COMPLIANCE PROCEDURE:

The Cooperative reserves the right to automatically or manually disconnect the Customer Generator's distributed generation facility without prior notice whenever, at the Cooperative's sole discretion, the Customer Generator is deemed by the Cooperative to not be in compliance with the minimum interconnection requirements as specified by this Agreement. The interconnection will remain open until corrective action is taken and suitable testing is completed.

12. INTERCONNECTION AND METERING CHARGES:

The Cooperative shall install, own and operate metering equipment that it deems necessary to permit an accurate determination of the quantity of energy delivered by the Cooperative to the Customer Generator and the quantity of

energy generated and delivered by the Customer Generator to the Cooperative's distribution system. Metering equipment may include, but not be limited to, external potential transformers (PT's) and current transformers (CT's) that allow for proper capture of all necessary data to properly bill for demand and power factor, as set forth in the cooperative's rate schedules. The Customer Generator shall pay the Cooperative for the costs incurred by the Cooperative to provide the interconnection of Customer Generator's distributed generation facility to the Cooperative's distribution system and to provide metering service, in accordance with the rates, terms and conditions of the Cooperative's Net Billing Service Price Schedule attached to this Agreement.

13. TERM OF SERVICE:

This agreement shall become effective on the date at the top of this document and shall remain in effect until terminated by either party giving the other thirty (30) days' written notice; provided, however, the Cooperative may also terminate this Agreement by giving thirty (30) days' written notice to the Customer Generator upon any breach of this Agreement by the Customer Generator or upon failure of the Customer Generator's distributed generation facility to generate energy in parallel with the Cooperative's distribution system for six consecutive months.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, all as of the day and year first at the top of this document.

ATTEST: _____ _____
Canoochee EMC

_____ Title _____

ATTEST: _____
Customer Generator

_____ Title _____

Appendix C

Net Billing Service
Price Schedule

Canoochee Electric Membership Corporation

Net Billing Service Price Schedule

I. PURPOSE

The purpose of this Schedule is to establish methods and procedures for determining credits, payments, and charges applicable to members of the Cooperative who own and operate a distributed generation facility, as defined in the Cooperative's Distributed Generation Policy.

II. APPLICABILITY

This Schedule applies to any member of the Cooperative owning and operating a distributed generation facility, as defined in the Cooperative's Distributed Generation Policy. The capacity of a distributed generation facilities used by residential customers shall not exceed 10 kW, and the capacity of a distributed generation facility used by a commercial customer shall not exceed 50 kW.

III. DEFINITIONS

The following words and terms shall have the following meanings unless the context clearly indicates otherwise:

1. **"Billing Period"** means, as to a particular customer, the time period between the dates on which the Cooperative normally reads the retail service meter for billing purposes.

2. **"Bi-directional"** is a meter capable of measuring (but not necessarily displaying) electricity flow in both directions.

3. **"Bi-directional Metering"** means measuring the amount of electricity supplied by the Cooperative and the amount of electricity fed back to the Cooperative by the member's distributed generation facility using a single meter.

4. **"Customer"** means a member of Canoochee EMC.

5. **"Customer Generator"** means a member who is the owner and operator of a distributed generation facility.

6. **"Distributed Generation Facility"** means a facility owned and operated by a member of the Cooperative for the production of electrical energy that:

   A. Uses a fuel cell or a renewable energy source;

B. Has peak generation capacity of not more than 10 kW metered demand for a residential application and 50 kW metered demand for a commercial application;

C. Is located on the member's premises;

D. Operates in parallel with the Cooperative's distribution facilities;

E. Is connected to the Cooperative's distribution system on either side of the Cooperative's retail service meter; and

F. Is intended primarily to offset part or all of the customer demands for electricity.

7. **"Fixed Charge Rate"** shall be a percentage factor that includes components for the recovery of operations and maintenance expense, administrative and general expense, taxes, depreciation and cost of capital, which are all associated with owning and operating the utility plant necessary for interconnection and for the provision of Metering pursuant to this Schedule. The fixed charge rate may be modified at any time by the Cooperative to reflect prevailing costs.

8. **"Net Billing Customer"** means a member with a generator receiving net billing service.

9. **"Net Billing"** means billing the difference of the measured energy over the billing period supplied to a Customer Generator from the electric grid (billed at the applicable retail rate) and the electricity generated and fed into the electric grid by the Customer Generator (cost paid in accordance with this Schedule), using a bi-directional meter or an additional single direction meter.

10. **"Renewable Energy Sources"** means energy supplied from technologies such as a solar photovoltaic system, wind turbine, biomass system, or other technologies approved in the Georgia Green Pricing Accreditation Program.

IV. CONDITIONS OF SERVICE

The Generator Customer must have met all the conditions of interconnection contained in the Cooperative's Distributed Generation Policy, including submittal of the Application for Interconnection of Distributed Generation Facility and the execution of the Distributed Generation Facility Interconnection Agreement.

V. TYPES OF METERING

Metering will be accomplished using bi-directional metering for distributed generation facilities interconnected on the Customer Generator's side of the retail service meter or single directional metering for distributed generation

facilities interconnected with the Cooperatives distribution system on the Cooperative's side of the retail service meter.

VI. DISPOSITION OF ENERGY

The energy consumed by the Customer Generator during the billing period and the energy generated by the customer's distributed generation facility and fed into the cooperative's electric grid will be charged at different rates. All energy consumed by the Customer Generator will be charged under the applicable retail rate; the generated energy fed into the Cooperative's electric grid will be purchased by the Cooperative at the Cooperative's avoided average annual cost of purchased power, as provided under the Purchase Rate section of this Schedule.

VII. UPFRONT CHARGES

1. A facilities charge, based on the total cost of all facilities installed by the Cooperative, including transformers, protective devices, controls and monitoring equipment, for distributed generation purpose, will be calculated and due from Customer Generator prior to installation.

2. A facilities charge based on the total cost of metering equipment installed for net billing will be calculated and due from Customer Generator prior to installation.

VIII. RATES AND CHARGES FOR NET BILLING SERVICE

Each customer Generator shall be charged for electric service under that rate schedule, which would otherwise be applicable if the customer was not a Customer Generator. In addition, there will be a monthly administrative charge of $5.00.

IX. PURCHASE RATE

The rate used to determine the dollar amount paid for energy purchased by the Cooperative shall be based upon the Cooperative's avoided average annual cost of purchased power. The purchase rate as of the effective date of this Schedule is shown below:

All kWh $0.035 per kWh

The above-stated rate may be adjusted annually at the sole discretion of the Cooperative to reflect the prevailing avoided cost of purchased power. The Cooperative will purchase energy from Customer Generators on a first-come, first-served basis only until the cumulative generating capacity of all the Customer Generators' renewable resources equals 0.2 percent of the Cooperative's annual peak demand in the previous year.

X. TERM OF SERVICE

The term of service under this Schedule shall be the same as that set forth in the Distributed Generation Facility Interconnection Agreement between the Customer Generator and the Cooperative.

Board Approved: 02/26/2020