



Small and Large Power Interconnection Tariff for Systems Greater than 50 kW

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Interconnection Tariff for Small and Large Power Member Owned Distributed Generation over 50 kW

- Small and Large Power Members have approached PEC with their intent to install distributed generation systems over 50 kW AC in size
- PEC's current Tariff specifies that for systems greater than 50 kW AC, PEC will negotiate on a case-by-case basis
 - Systems 50 kW and below qualify for PEC's existing Interconnection Net Metering Rate option
- PEC should consider a new Tariff rate option to provide Small Power and Large Power members with an established method and rate for purchases and sales
 - Identified in 2016 Cost of Service study as a need
 - Potential number of Member installations greater than 50 kW
 - PEC's policy to be equitable, fair and non-discriminatory

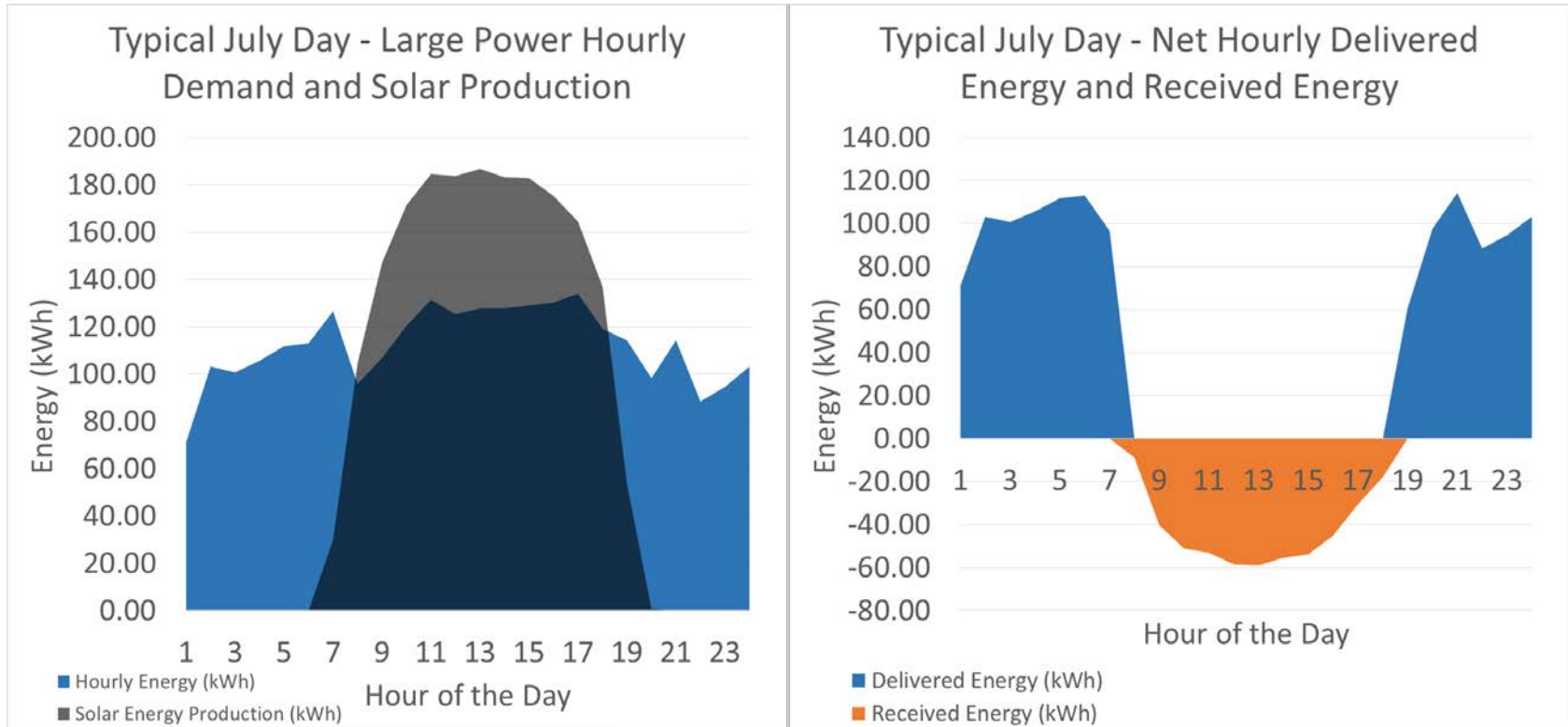


Proposed Approach – Effective July 1, 2017

- Applicability
 - Small and Large Power Members
- Distributed Generation System Size
 - Greater than 50 kW AC and less than or equal to 400 kW AC
- Metering
 - Meter with two registers to record Delivered Energy and Received Energy
 - 2nd Meter to record output of the distributed generation system
- Net Metering
 - Delivered Energy is the total energy delivered to a Member from PEC during the billing cycle (Member is billed based on Delivered Energy)
 - Received Energy is the total energy received by PEC during the billing cycle from the surplus over-production of the DG system (Member receives credit for Received Energy)
- Rates
 - Service Availability Charge shall be increased by \$10/Month for Small Power Members and \$25/Month for Large Power members to account for additional costs such as metering
 - Demand, Delivery, TCOS, and Power charges shall be reduced by real-time production from the DG system
 - Surplus energy shall be credited to the member at the Wholesale Energy Credit Rate
- Limit on Total System Wide Capacity
 - This Tariff will be capped at 4 MW AC of system wide total distributed generation capacity



Large Power Distributed Generation Example



Metering and Billing Example

Billing Elements	Rate Factors	Units	Without DG	Proposed Model with DG >50 kW	
Demand		kW	155.0	150.0	Demand Charge
Energy					
Delivered Energy		kWh	62,000.0	45,000.0	Energy Charges
Received Energy		kWh	-	10,000.0	
Service Availability Charge*	\$150/\$175	mo.	\$150.00	\$175.00	Production Credit
Capacity Demand Charge	\$3.38000	/kW	\$523.74	\$507.00	
Delivery Charge	\$0.00885	/kWh	\$548.70	\$398.25	Production Credit
Transmission Cost of Service	\$0.01158	/kWh	\$717.96	\$521.10	
Base Power Cost	\$0.06050	/kWh	\$3,751.00	\$2,722.50	Production Credit
Power Cost Adjustment	(\$0.0140)	/kWh	(\$868.00)	(\$630.00)	
Total			\$4,823.40	\$3,693.85	
Net Power Cost and Power Cost Adj.	(\$0.04650)	\$/kWh			
Wholesale Credit Rate Adjustment (%)*	85.00%				
Wholesale Energy Credit Rate (\$/kWh)	(\$0.03953)	\$/kWh	\$0.00	(\$395.25)	
Total			\$4,823.40	\$3,298.60	
Difference				\$1,524.80	

Draft Tariff Language – Effective Date: July 1, 2017

- Applicability - Applicable to Small Power and Large Power members with Distributed Generation (DG) that is greater than 50 kW AC and equal to or less than 400 kW AC. The Member must have an effective agreement for interconnection with the Cooperative according to Section 600 Interconnection found in this Tariff and comply with the applicable provisions of Section 600 Interconnection. This tariff is applicable to Small Power and Large Power.
- Net Metering Service - The Cooperative shall install two meters, owned and operated by the Cooperative, for Member. The first meter will record total DG production. The second meter will have two registers, one which records energy delivered (Delivered Energy) to Member, and another that records surplus energy returned to the Cooperative through DG system overproduction (Received Energy). The Cooperative shall have access to all of Member's meter data for billing purposes.
 - Delivered Energy is the total energy delivered to a Member from PEC during the billing cycle (Member is billed based on Delivered Energy)
 - Received Energy is the total surplus energy received by PEC during the billing cycle from the DG system overproduction (Member receives credit for Received Energy)
- Rates
 - Small Power Service Availability Charge: \$47.50 per month
 - Large Power Service Availability Charge: \$175.00 per month
 - Delivered Energy rates shall apply as per the otherwise applicable tariff with charges applied to the Delivered Energy.
 - Capacity Demand Charge for Large Power members shall apply as per the otherwise applicable tariff.
 - Received Energy shall be credited to the member at the Wholesale Energy Credit Rate. The Wholesale Energy Credit Rate is equal to 85% of the sum of the Flat Rate Power Cost and the Power Cost Adjustment as per the otherwise applicable tariff.
- System Wide Capacity Limit
 - Availability of this Tariff will be limited and capped to no more than 4 MW AC of system wide total DG nameplate capacity as determined by submission to the Cooperative of an application as required by Section 600 and fulfillment of all requirements of Section 600.





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