

## Rate Schedule #14

### Lyon-Lincoln Electric Cooperative, Inc.

#### Minnesota Renewable Energy Rate Under 40 KW

The purpose of this rate is to establish the qualification criteria and rate for all customers for the delivery and purchase of renewable energy from qualified small customer-owned renewable generation facilities located on the cooperative's distribution system that have a capacity less than 40 KW.

A. Eligibility: All customers are eligible for the MN Renewable Energy Rate Under 40 KW provided the following requirements are satisfied.

1. The customer must complete the steps set out in the Minnesota Interconnection Process for Distributed Generation Systems that is provided to the customer by Lyon-Lincoln Electric Cooperative, Inc.

2. The small renewable energy generation must be owned by the customer, and be directly connected to the cooperative's distribution system.

3. The total generator nameplate capacity of the renewable energy generator(s) must be less than 40 KW for a single site.

4. Renewable energy purchased under this rate may not also receive payment under the cooperative's Public Utility Regulatory Policies Act (PURPA) Avoided Cost Rate.

5. Member is not eligible for any special rate schedules while on this rate.

6. The customer shall be responsible for all interconnection, metering, and other costs associated with the small renewable energy generation in order to meet the requirements of this rate and to connect the small renewable generation to the distribution system.

7. The qualifying facilities owner must provide proof of coverage of liability insurance annually in the amount of \$300,000 as condition of service.

8. The owner or operator of the renewable generator shall hold Lyon-Lincoln Electric harmless from any liability arising out of the operation of the renewable generator.

9. All other criteria of the Minnesota Renewable Energy Rate under 40 KW must be met.

10. A Small Renewable Generation Rate Application must be completed and executed for each renewable energy facility. The use of this rate and the qualification term for each renewable energy purchase is subject to prior review and approval by LLEC, East River Electric and Basin Electric.

B. Net Energy Billing Rate:

1. The net energy billing rate is available only to qualifying facilities with capacity of less than 40 KW which choose not to offer electric power for sale on either a time of day basis or a simultaneous purchase and sale basis.

2. The average retail rate of the cooperative is determined each year and submitted to the State of Minnesota as the Schedule C requirement of MN Chapter 7835. The data used to calculate these rates are from the previous calendar year and are attached to this rate schedule.

Rate Effective February 1, 2017

3. The cooperative will bill the customer for the excess of energy supplied by Lyon-Lincoln Electric above energy supplied by the customer during each billing period according to the applicable retail rate schedule for the customer.

#### C. Billing

1. Any payments to the customer associated with renewable energy purchases under this rate shall not be considered in determining the customer's patronage allocation.
2. Payment for the purchase of renewable energy shall be in the form of a credit on the customer's monthly power bill or paid by check to customer within 15 days of the billing date, whichever is specified in the Uniform Statewide Contract for Cogeneration or Small Power Production Facilities by the customer
3. In the event of a metering equipment malfunction, it will be assumed that no customer-owned renewable energy was provided to the electrical grid during the period of equipment malfunction or failure.

#### D. Distributed Generation (DG) Grid Access Charge (Post April 1, 2016 interconnection)

1. For all distributed generation systems interconnected after April 1, 2016, the cooperative will bill the customer a Distributed Generation (DG) Grid Access Charge. The DG Grid Access Charge will be based on the cooperative's fixed costs not already paid for by the customer. The cooperative will use its year end Form 7 to develop the DG Grid Access Charge on an annual basis.
2. The Distributed Generation (DG) Grid Access Charge is \$2.77/KW of nameplate capacity of the DG system above the first 3.5KW of nameplate capacity. The DG Grid Access Charge will not exceed the cooperative's fixed costs to serve the customer based on the year end Form 7 report and there will be a cap of \$42/month for each DG system. The cap is based on the total fixed cost to serve minus the current monthly facility charge.
3. The cooperative is given the authority to recover fixed costs in this manner through MN State Statute 216B.164, Subd. 3: Purchases; small facilities.

**Lyon-Lincoln Electric Cooperative, Inc.**

**Small Renewable Energy Generation Rate**

**RENEWABLE ENERGY PURCHASE APPLICATION**

Lyon-Lincoln Electric Cooperative, Inc. hereby requests qualification of the following purchase for the Small Renewable Energy Generation Rate in effect on the date of qualification and agrees to each of the conditions in the Rate:

Name of Owner and Address of the Renewable Energy Project:

Account #:

Total nameplate rating of renewable energy facilities qualified under this rate at single site:  
\_\_\_\_(kW)

Qualification Term (Commitment Term):      Month \_\_\_\_, Year \_\_\_\_ through  
Month \_\_\_\_, Year \_\_\_\_

Environmental Attributes:     Retain       Convey to Basin Electric

Location: \_\_\_\_\_

Type and Description of Facility (describe in detail): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Title

Attachment-Rates by Rate Schedule

Class of Service	Avg. Retail Rate/Kwh
Residential	0.0901
Residential - Seasonal	0.0866
Irrigation	0.0526
Commercial & Industrial Under 1,000 kva	0.0673
Commercial & Industrial Over 1,000 kva	0.0549
Public Street & Highway Lighting	0.1285
Public Authority	0.0924