

McLEOD COOPERATIVE POWER ASSOCIATION 2017 RATE SUMMARY FOR COGENERATION AND SMALL POWER PRODUCTION

AVAILABILITY

Available to all members where the member has qualified small power production or cogeneration facilities connected in parallel with the Cooperative's facilities. The member is required to execute an Interconnection Agreement with the Cooperative. A Qualifying Facility (QF) is a cogeneration and small power production facility that satisfies the conditions in 18 Code of Federal Regulations, Section 292.101(b).

CHARACTER OF SERVICE

Alternating current, 60 hertz, at available secondary voltages.

RATE

The Cooperative shall pay the member monthly for all energy furnished during the month at the rate shown in Section 1 - 3 below.

1. Net Energy Billing: Available to any QF of less than 40 kW capacity that do not select either the Roll Over Credits, Simultaneous Purchase and Sale Billing or Time of Day rates.

The Cooperative shall bill the qualifying facility for the excess of energy supplied by the Cooperative above energy supplied by the qualifying facility during each billing period according to the Cooperative's applicable retail rate schedule. The Cooperative shall pay the member for the energy generated by the qualifying facility that exceeds that supplied by the Cooperative during a billing period as follows:

<u>Service Type</u>	<u>Rate Schedule</u>	<u>ARCER</u>
Single Phase Service	2	\$ 0.1223/kWh
Small Three Phase	5	\$ 0.1156/kWh

Grid Access Charge: Pursuant to MN State Statute 216B.164 Subd. 3(a) the Grid Access Charge is applied to all distributed generation systems interconnected after March 1, 2016. The Grid Access Charge is applied against the kW of nameplate capacity of the qualified facility above the first 3.5 kW. System greater than 3.5 will be charged the monthly rate on the additional kW of nameplate capacity, not to exceed the monthly maximum charge.

<u>Service Type</u>	<u>Rate Schedule</u>	<u>Monthly Charge per kW</u>	<u>Max Monthly Charge</u>
Single Phase Service	2	\$ 3.92	\$ 51.00
Small Three Phase	5	\$ 3.92	\$ 51.00

2. Simultaneous Purchase and Sale Billing: Available to any QF of less than 40 kW capacity that do not select either the Net Energy Billing, Roll Over Credits or Time of Day rates and does not receive a time of day retail electric service from the Cooperative.

Cooperative shall pay the member for all energy delivered as follows:

	<u>November - April</u>	<u>May - October</u>
Energy Payment (\$/kWh)	\$0.02936	\$0.02681
Capacity Payment for Firm Power (\$/kWh)	\$ 0.00	\$ 0.00

3. Time-of-Day Purchase Rate: Available to any QF of 100 kW capacity or less and available to QFs with capacity of more than 100 kW if firm power is provided.

Cooperative shall pay the member for all energy delivered as follows:

	<u>November - April</u>	<u>May - October</u>
On Peak Energy Payment (\$/kWh)	\$ 0.03573	\$ 0.03520
Off Peak Energy Payment (\$/kWh)	\$ 0.02435	\$ 0.02001
Capacity Payment for Firm Power (\$/kWh)	\$ 0.00	\$ 0.00

DEFINITIONS

On Peak Hours: On Peak periods are defined as Monday through Friday beginning at 10:00 a.m. and ending at 8:00 p.m. (for a total of 10 hours per day), excluding the following holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Off Peak Hours: Off Peak periods are defined as all other days and hours.

TAXES

The rates set forth are based on currently effective taxes and the amount of any increase in existing or new taxes on the transmission, distribution or sale of electricity allocable to sales hereunder shall be added to the rates as appropriate to be paid by the member.