

**M.J.M. ELECTRIC COOPERATIVE, INC.**

**SECTION III – MEMBERS AND CONSUMERS**

**Policy 36    Approved: 11/30/2017**

**REVISED: 01/23/2020**

**MEMBER-OWNED GENERATION BILLING**

**POLICY**

To encourage Member-Owned on-site electric generation facilities using renewable energy resources, comply with the Public Utility Regulatory Policies Act (PURPA), enhance the continued diversification of Illinois' energy resource mix and protect the Illinois environment through the use of renewable fuel sources while honoring the Cooperative's objective to provide equitably priced electricity to all Members on a Cooperative basis as required by the Illinois Not-for-Profit Act and Revenue Code Section 501(c)(12).

**RESPONSIBILITY**

President/CEO and Staff

**DEFINITIONS**

**ANNUAL BILLING PERIOD** means the calendar year commencing on January 1 and ending on December 31.

**APPLICABLE BILLING PERIOD** means the period of time over which the Cooperative bills a Member for electricity consumed during that time and for other applicable charges from the Cooperative.

**AVOIDED ENERGY COSTS** are the avoided variable costs associated with the production of electric energy (kilowatt-hours). These costs represent the avoided costs of fuel and some operating and maintenance expenses or the cost of purchased energy. Identifiable capacity charges included in purchase power agreements shall not be included in the calculation of avoided energy costs.

**ELIGIBLE COOPERATIVE MEMBER** means a Cooperative Member that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of not more than 25 kW that is located on the Member's premises and is intended primarily to offset the Member's own electrical requirements by being connected to the Member's electrical system. Generation facilities with a rated capacity greater than 25 kW shall be governed by Wabash Valley Power Alliance's applicable policies.

**ELIGIBLE RENEWABLE ELECTRICAL GENERATING FACILITY (EREGF)** means a generator powered by solar electric energy, wind, dedicated crops grown for electricity generation,

anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy. For purposes of this policy, an EREGF with a nameplate rating of 25 kW or less is governed by the provisions in MJM's Section III, Policy 34. An EREGF with a nameplate rating of more than 25 kW up to 2 MW is governed by the provisions of Article IV (F) in MJM's Section III, Policy 34.

**MEMBER-OWNED GENERATION BILLING** means the measurement, during the applicable billing period to an eligible Cooperative Member, of the amount of electricity supplied by the Cooperative to the Member (consumed) and provided to the Cooperative by the Member (generated).

## **APPLICABILITY**

This policy applies to eligible Cooperative Members that choose to interconnect their eligible renewable electrical generating facilities with the Cooperative's distribution system and operate same in parallel with the Cooperative system.

## **PROVISIONS**

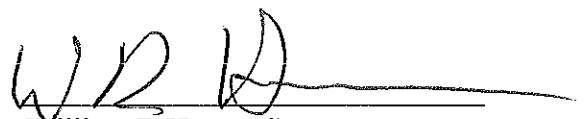
- A. The eligible Cooperative Member shall first comply with the provisions of the Cooperative's Section III, Policy 34 - Interconnection and Parallel Operation of Distributed Generation.
- B. The Cooperative will install and maintain metering equipment capable of measuring the flow of electricity both into and out of the Member's facility at the same rate and ratio. If Member's existing meter is not capable of meeting this requirement, the cost of installing and maintaining same shall be paid by the Member.

In addition, the Member shall be responsible for the cost of installing and maintaining a secondary meter base and allow the Cooperative to install and maintain a meter to measure all energy produced by the interconnected system.

- C. For EREGFs, the Cooperative shall measure and charge or credit for the electricity supplied to eligible Cooperative Members or provided by eligible Cooperative Members as follows:
  - 1. The Cooperative shall charge the Member for the electricity supplied to and used by the Member at the non-discriminatory retail rate the Member would have been charged for if the Member was not a Member-Owned generation billing account.
  - 2. The Cooperative shall pay for the energy supplied to the Cooperative from the Member, at a rate reflecting the current avoided energy cost. Any energy received by the Cooperative will be converted to credits by multiplying the number of kilowatt hours generated onto the distribution system by the avoided energy cost and applying that credit (in dollars or fractions thereof) against the Member's power supplier energy charge from the Cooperative, regardless if the Member is a

purchaser or seller of energy that month. The Cooperative shall continue to carry over any excess credits earned and apply those credits to applicable billing periods to offset only power supplier energy, for those applicable billing periods until all credits are used or until the end of the annual billing period, whichever occurs first.

3. At the end of the annual billing period that service is supplied by means of Member-Owned generation billing, or in the event that the Member terminates service with the Cooperative, any remaining credits in the Member's account shall expire and no credit or payment shall be due to the Member for such expired credits.
  4. Any credit to an eligible Member under this policy shall be applied only to the power supplier energy charge associated with the Member-Owned generation billing account. No part of such credit shall be applied to, and the eligible Member shall remain responsible for, (a) taxes, fees, and other charges that would otherwise be applicable to the amount of electric energy purchased by the eligible Member from the Cooperative, and (b) other charges to the eligible Member under any Cooperative policies, bylaws, rules, regulations, or rates, that are not based on a unitized charge per kilowatt-hour, including, but not limited to, power supplier demand or service delivery charges.
- D. Member will not be eligible for any incentive rates after installation of generation system.
- E. All renewable energy credits, greenhouse gas emission credits and renewable energy attributes related to any electricity produced by the eligible renewable electrical generating facility and purchased by the Cooperative shall be treated as owned by the eligible Member.
- F. The Cooperative shall provide Member-Owned generation billing to eligible Members in accordance with Wabash Valley Power Alliance's applicable policies.
- G. This policy is subject to all federal, state and local laws, the Cooperative's articles of incorporation, bylaws and existing policies and the terms and conditions of the Cooperative's existing power supply contracts and loan agreements. To the extent any provision of this policy conflicts with those obligations, those provisions are deemed null and void. This policy may be amended at any time by Board of Directors of the Cooperative and any such amendment would be effective to include Members generating electricity at that time based upon this policy and interconnection agreement.

  
William R Heyen, Secretary