

REDWOOD ELECTRIC COOPERATIVE 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 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 General Service	1	\$ 0.10731/kWh
Multi-Phase General Service	3	\$ 0.14099/kWh
Single Phase Small Commercial	4	\$ 0.10690/kWh
SMEC Residential	160	\$ 0.11280/kWh
SMEC General Service	260	\$ 0.12740/kWh
SMEC Farm	410	\$ 0.10810/kWh

Grid Access Charge: Pursuant to MN State Statute 216B.164 Subd. 3(a) the Net Metering Cost Recovery Fee is applied to all appropriate distributed generation systems interconnected after January 1, 2016.

The Net Metering Cost Recovery Fee is applied against the kW of nameplate capacity of the DG system above the first 3.5 kW. Members are allowed to connect cogeneration facilities up to 3.5 kW with no fee applied. Systems greater than 3.5 kW will be charged the monthly rate on the additional kW of nameplate capacity, not to exceed the monthly maximum fee.

<u>Service Type</u>	<u>Rate Schedule</u>	<u>Monthly Charge per kW</u>	<u>Max Monthly Charge</u>
Single Phase General Service	1	\$ 4.17	\$ 48.00
Multi-Phase General Service	3	\$ 4.17	\$ 48.00
Single Phase Small Commercial	4	\$ 4.17	\$ 48.00
SMEC Residential	160	\$ 4.17	\$ 48.00
SMEC General Service	260	\$ 4.17	\$ 48.00
SMEC Farm	410	\$ 4.17	\$ 48.00

2. Simultaneous Purchase and Sale Billing: Available to any QF of less than 40 kW capacity that receives non-time of day retail electric service from the Cooperative.

Cooperative shall pay the member for all energy per the East River Energy current year rate schedule for Simultaneous Purchase and Sale Billing.

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 per the East River Energy current year rate schedule for Time-of-Day Purchase Rate.

DEFINITIONS

ARCER: Average Retail Cooperative Energy Rate as defined in Minnesota Rule 7835.3300.

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.