

**COLES-MOULTRIE ELECTRIC COOPERATIVE**  
**Policy #42**

**COOPERATIVE PURCHASE OF EXCESS MEMBER OWNED GENERATION**  
**CAPACITY**

**I. OBJECTIVE**

To encourage member investment in 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 obligation to provide electricity to all members on a Cooperative basis, as required by the Illinois Not-for-Profit Act and Revenue Code Section 501(c)(12).

**II. DEFINITIONS**

**Eligible Cooperative Member** means a Cooperative member that owns or operates an Eligible Renewable Electrical Generating Facility (EREGF) with a rated capacity of not more than 2000 kilowatts (2 MW) that is located on the member's premises and is intended primarily to offset the member's own electrical requirements.

**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 10 kW or less is governed by the provisions of Article IV (C). An EREGF with a nameplate rating of more than 10 kW up to 2 MW is governed by the provisions of Article IV (D).

**Delivered** means electricity that is provided to a Cooperative member.

**Received** means electricity that is produced, by a Cooperative member that operates a qualified and interconnected facility, in excess of the facility's own usage requirements.

**III. 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, pursuant to an Agreement for Interconnection and Parallel Operation of Distributed Generation (Board Policy #43) and the member policies of CMEC as said policies may be amended from time to time.

**IV. PROVISIONS**

- A. The eligible Cooperative member shall comply with the Agreement for Interconnection and Parallel Operation of Distributed Generation (Board Policy

#43) and the provision of the Cooperative's Member Policies, including Policy #43, Interconnection and Parallel Operation of Distributed Generation, as said policies may be amended from time to time.

- B. The Cooperative will install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio. If member's existing meter is not capable of meeting this requirement, or if the customer requests an additional meter, the cost of installing and maintaining same shall be paid by the member.
- C. For EREGFs with a nameplate rating of 10 kilowatts and below, the Cooperative shall measure the electricity delivered to eligible Cooperative members and received from eligible Cooperative members as follows:

1. For electricity delivered to the member during the billing period, the Cooperative shall charge the member for the electricity delivered to the member at the retail rates the member would be charged if the member was not an interconnected member.
2. For electricity received from the qualified and interconnected facility during the billing period, the Cooperative may purchase such excess generation at the same interval of time at a rate as defined by the applicable Midcontinent System Operator (MISO) hourly Ex-Ante Locational Marginal Price (LMP), the avoided cost of generation.

At no time will the payment for electricity received exceed the payment for electricity delivered. At such time, the member will not be compensated for electricity that would cause such excess.

If a member terminates service with the Cooperative for the interconnected facility, or the facility ceases to generate excess generation, the Cooperative will calculate a final payment or credit within 60 days provided the member delivers to the Cooperative written notice of the date of termination of service, or the final date of interconnected generation.

The Cooperative, at its discretion, may determine the method of payment and may modify the method from time to time. Further, the Cooperative may assess an administrative fee to offset the cost of calculating and processing payments for excess generation.

3. Notwithstanding the provision of this subparagraph IV. C, nothing provided for under subparagraph IV. C. 1. or IV. C. 2. shall otherwise limit or reduce the members' obligation to the Cooperative for charges

other than the per kilowatt hour charge for electricity. The member shall remain responsible for all other charges including, but not limited to, service availability charges.

- D. For EREGFs with a nameplate rating over 10 kilowatts up to 2 MW, compensation, if any, for any excess kilowatt-hour credits, shall be determined pursuant to the terms of a power purchase agreement to be negotiated between the member and Cooperative or the Cooperatives power supplier.
- E. The Cooperative shall offer interconnection to eligible members until the load of its interconnected members equals 1% of the total peak demand supplied by the Cooperative during the previous year. The Cooperative may offer interconnection beyond the 1% level if doing so would:
  - i. not impair the financial condition of the Cooperative;
  - ii. not impair the Cooperative's ability to operate on a Cooperative basis;
  - iii. cause the Cooperative to breach its Wholesale Power Contract or any other prior contract to which the Cooperative is bound or;
  - iv. cause the Cooperative to be in violation of federal, state, or municipal law, regulation or ordinance.
- F. 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.
- G. 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 shall not be eligible for the Cooperative's "sub-metered" rates, specifically Rates A-18, A-20, A-24, and A-25.

ADOPTED: February 21, 2008

REVISED DATE: October 29, 2009  
April 28, 2011  
March 26, 2015  
December 6, 2018  
January 8, 2019