

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

**SUBJECT: NET METERING AND COOPERATIVE PURCHASE OF EXCESS MEMBER OWNED GENERATION CAPACITY**

**I. PURPOSE**

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 80 MW that is located on the member's premises and is intended primarily to offset the member's own electrical requirements.

**Hourly Marginal Electricity Value (HMEV)** means the average of the hourly MISO Day Ahead Locational Marginal Prices for electric energy at the applicable Prairie Power, Inc. Commercial Pricing (CP) Node during the applicable billing period of the member distribution cooperative.

**Eligible Renewable Electrical Generating Facility (EREGF)** means one or more generators(s) owned by a member and located at and associated with a specified service metering point of the member where: (A) the total combined nameplate rating for such generators(s) at the specified service metering point is not more than 80 MW and (B) such generator(s) are powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated wood waste and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock waste or anaerobic digestion of food processing waste, fuel cells powered by renewable fuels 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), pursuant to PPI Policy #504. An EREGF with a nameplate rating of more than 10 kW up to 80 MW is governed by the provisions of Article IV (D), pursuant to PPI Policy #509. An EREGF may choose to be governed by the provisions of Article IV (E), pursuant to PPI Policy #510, regardless of the nameplate rating up to 100 kW. At no time may an EREGF be governed pursuant to multiple PPI Policies.

**Net electricity metering (net metering)** means the measurement, during the billing period applicable to a member of the electrical energy sales volume at a single specified service metering point by the retail meter when an EREGF is owned by the member and is connected to and operating on the member low-voltage electric premises wiring associated with the specified service metering point.

**Nameplate rating** means the maximum electric energy production capability of a generator, specified in alternating current (“AC”) kilowatts after the inverter device(s).

**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 EREGF 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 Board policies of CMEC as said policies may be amended from time to time, including, but not limited to, Board Policy #44.

### **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 provisions of the Cooperative’s Board policies, including Board 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 member 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 kW and below, the Cooperative shall measure and charge or credit for the net electricity supplied to eligible Cooperative members or provided by eligible Cooperative members pursuant to PPI Policy #504 as follows:

1. If the amount of electricity used by the member during the billing period exceeds the amount of electricity produced by the member, the Cooperative shall charge the member for the net electricity supplied to the member at the retail rates the member would be charged if the member was not a net metering member.
2. If the amount of electricity produced by the qualified and interconnected facility during an interval of time determined by the Cooperative exceeds the amount of electricity used by the member during said interval of time, the Cooperative shall calculate a monetary credit for such excess generation at the same interval of time at a rate as defined by the HMEV. Such credit shall be applied to the first available monthly bill. Credits shall not be carried over past the first available month.

In no event will the interval of time exceed a calendar month.

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.

- D. For EREGFs with a nameplate rating over 10 kW up to 80 MW, compensation, if any, for any excess kilowatt-hour credits, shall be determined pursuant to PPI Policy #509.
- E. For EREGFs, regardless of nameplate rating up to 100 kW, that choose to be governed pursuant to PPI Policy #510, compensation, if any, shall be determined as follows:
  1. The product of the kWhs per month produced by the EREGF which are in excess of the member's electrical consumption, received by the Cooperative, and registered and recorded by the Cooperative's retail service meter.
  2. Multiplied by the annual On-peak Energy Charge Rate as stated in dollars per kWh established annually by the PPI Board in Rate Schedule A of the Wholesale Power Contract between PPI and the Cooperative.

3. In the event the meter registers a flow of electric energy out of the single, specified service metering point in an amount greater than 100 kWh during any clock-hour, 100 kWh shall be used for that clock-hour rather than any amounts greater than 100 kWh.
  4. The compensation provided under PPI Policy #510 is available until December 31, 2023, unless terminated earlier due to financing obligations of the Cooperative. On or before December 31, 2022, the Cooperative shall revisit this policy to decide whether to extend it, modify it, or allow it to expire.
  5. The EREGF shall be sized to offset no more than 110% of the member's load over the previous 12 months. If 12 months of data is not available, the average amount of similar members shall be used.
- F. Notwithstanding the provision of this paragraph IV, nothing provided for under subparagraph IV. C. 1. or IV. C. 2. or IV. D. or IV. E. 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.
- G. The Cooperative shall offer interconnection to eligible members until the load of its interconnected members equals 5% of the total peak demand supplied by the Cooperative during the previous year. The total peak demand is the coincidental peak with the Cooperative's power supplier. The Cooperative may offer interconnection beyond the 5% 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.
- H. 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.
- I. Eligible Cooperative Members that choose to submit an application to interconnect their EREGF with the Cooperative's distribution system shall pay a one-time non-refundable fee of \$500 upon submission of application provided for in Board Policy #43 (Agreement for Interconnection and Parallel Operation of Distributed

Generation). This fee does not include any metering fees that may occur as referred to in Paragraph IV, Subparagraph B.

- J. Eligible Cooperative Members that choose to interconnect their EREGF 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.

APPROVED BY THE BOARD OF DIRECTORS

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CHAIRMAN OF THE BOARD

ADOPTED: February 21, 2008

REVISED DATE: October 29, 2009  
April 28, 2011  
March 26, 2015  
December 6, 2018  
January 30, 2019  
January 30, 2020  
February 24, 2022  
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