

EASTERN ILLINI ELECTRIC COOPERATIVE

REGULATION NO. 26B

SUBJECT: Net Billing and Cooperative Purchase of Excess Member Owned Generation Capacity

OBJECTIVE:

To encourage member-owned on-site electric generation facilities using renewable energy resources, comply with the Public Utility Regulatory Policies Act (PURPA) where applicable, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment through the use of renewable fuel sources while honoring the obligation of Eastern Illini Electric Cooperative, Inc. (Cooperative) to provide electricity to all Members on a cooperative basis as contemplated by the Rural Electrification Act, and as required by the Illinois General Not for Profit Corporation Act, Illinois Electric Supplier Act, and U.S. Internal Revenue Code Section 501(c)(12).

DEFINITIONS:

Nameplate Rating means the maximum electric energy production capability of resource, located at and associated with a single specified service metering point, as stated in terms of alternate current (AC) kilowatts after any power inverter device(s).

Eligible Cooperative Member/Owner (Member/Owner) means a Cooperative Member/Owner that owns and operates a Small DG facility located at and associated with the Member/Owner's single specified metering point.

Small Distributed Generation Facility (Small DG) means one or more electricity production resources owned by an Eligible Cooperative Member/Owner which meets all of the following criteria: (1) such resources produce electric energy using biomass, waste, and renewable resources including wind, solar and water, and (2) the total combined Nameplate Rating for such resources at the single specified service metering point is less than or equal to 100 kilowatts (AC) and sized to offset no more than 110% of the Member/Owner's energy requirements over the previous 12 months (if 12 months of data is not available, the average amount of energy may be reasonably estimated by the Cooperative). Members may not be interconnected simultaneously under Cooperative Regulation(s) 26 and/or 26A.

Net Billing Electricity Metering (Net Billing) means the name given to the Cooperative billing system that allows for the Eligible Cooperative Member/Owner to receive a bill credit for the excess electric generation from their Small DG valued at the Incentive Provided.

Billing Period means the roughly 30-day period over which the Cooperative bills a Member/Owner for electric energy consumed during that time and for other applicable charges or credits.

Incentive Provided means the product of the kWh per Billing Period produced by the Small DG in excess of the Member/Owner's electrical consumption, received, registered and recorded by the Cooperative's retail service meter, 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. 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.

Prairie Power, Inc. (PPI) means Prairie Power, Inc., an Illinois not-for-profit corporation, or its successors in interest, which is an electric generation and transmission cooperative of which the Cooperative is a member and from which, by contract, the Cooperative obtains its wholesale supply of electricity to provide to Member/Owners at their premises or facility.

REGULATION:

This Net Billing regulation applies to Eligible Member/Owners that choose to interconnect a Small DG facility to the Eligible Member/Owner's low-voltage electric premises wiring associated with a specified service metering point, and operate such facilities in parallel with the Cooperative system.

- I. The Eligible Member/Owner who owns and operates a Small DG at a location that receives electrical service from the Cooperative agrees to and shall comply with the provisions of the Cooperative's Regulation #27 – Interconnection and Parallel Operation of Distributed Generation.
- II. The Cooperative shall install and maintain metering equipment capable of measuring the flow of electricity both into and out of the Member/Owner's facility at the same rate and ratio. The Cooperative, in its sole discretion and at the expense of the Member/Owner may install a meter between the Small DG and the specified service metering point for purposes of assuring compliance with this regulation in relation to the Nameplate Rating of the Small DG.
- III. For an Eligible Member with a Small DG, the Cooperative shall measure and charge or credit for the electric energy respectively delivered to and received from the single specified service metering point as follows:
 - A. The Cooperative will charge the Eligible Member/Owner for the aggregated electric energy delivered to the member during the Billing Period as reflected by the delivered retail service meter register. The rate for delivered energy charges shall be in accordance with the Rate Class of the Eligible Member/Owner.
 - B. The Cooperative will calculate and apply a bill credit for the aggregated electric energy received from the Eligible Member/Owner according to the Incentive Provided during the Billing Period as reflected by the received retail service meter register. The rate for received energy credits shall be in accordance with the On-

peak Energy Charge Rate stipulated in the wholesale power contract and established annually by PPI, effective each calendar year.

- C. In the event the single specified service meter registers a flow of excess electric energy out of the metering point in an amount greater than 100 kilowatt-hours during any clock-hour in the Billing Period, the volume of excess electric energy incorporated into the aggregated service meter register calculation for the Billing Period shall be 100 kilowatt-hours for that clock-hour, rather than a greater amount.
 - D. Any bill credit derived from the aggregated flow of excess electric energy received from the Eligible Member/Owner during a Billing Period shall be applied to all charges associated with electric energy delivered to the Member/Owner during the same Billing Period, including delivered energy charges, demand charges, power adjustment charges, taxes and fees, and other charges applied to the Eligible Member/Owner 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 basic service charges and facility charges.
- IV. Any upgrades or modifications to the installed Small DG which cause the total combined Nameplate Rating for such generator(s) at the specified service metering point to become more than 100 kW (AC) shall exclude the Member from Net Billing.
 - V. Any actual energy consumption revision experienced by the Eligible Member/Owner over the most recent 12-month period which cause the total combined Nameplate Rating for such resource(s) to offset more than 110% of the Member/Owner's actual load over the same 12-month period shall disqualify the member as an Eligible Member/Owner for Net Billing under this regulation.
 - VI. All renewable energy credits, greenhouse gas emission credits, and renewable energy attributes related to any electricity produced by the Small DG shall be treated as owned by the Member/Owner.
 - VII. The Cooperative reserves the right to modify or eliminate this Regulation and the Net Billing Program at any time, and this Regulation is subject to the provisions of PPI Policy 510.
 - VIII. This regulation is subject to all applicable federal, state and local laws, the Cooperative's articles of incorporation or consolidation, bylaws, regulations and existing policies, including without limitation, its disconnect policies, as well as the terms and conditions of the Cooperative's existing power supply contracts, loan agreements, and Member agreements. To the extent any provisions of this regulation conflict with those obligations, the provisions of this regulation are null and void.