



DISTRIBUTED GENERATION TARIFF

- I. **APPLICATION** This rate is in addition to the customer's standard rate tariff for electric service.
- II. **AVAILABILITY** This rate is applicable to customers who intend to own and operate an electric generating facility using fuels derived from biomass, waste or renewable energy source, including wind, solar energy, or water to produce electricity.
- III. **CREDIT FOR GENERATION** The utility will provide a credit for energy generated by the customer which would be applied to customer's usage as billed by the utility under the customer's applicable rate tariff. Energy would be credited based on the following schedule:

ENERGY: Energy generated will be credited at the utility's avoided cost. The utility's avoided cost is based upon the current applicable wholesale power rate from the Grand River Dam Authority (GRDA), including any applicable Power Cost Adjustment. The utility will increase the GRDA rate to recognize that energy generated by a customer avoids distribution system losses that would otherwise be incurred. The loss adjustment will be based on the most recent fiscal year's average distribution system loss rate.

- IV. **CREDIT LIMITATION** The energy credit for any billing period described in Section III above is limited to the customer's maximum energy usage during any billing period from the previous calendar year. No credit will be provided by the utility for any generation above this amount.

New customer's maximum credit will be established after the first calendar year of service. In order for customer to receive the maximum benefit from the installation customer shall not oversize the installation larger than the customer's anticipated maximum annual billing period energy (kWh) usage, as no credit will be provided by the utility for any generation above this amount.

Examples of how the customer credit will be calculated:

Previous Calendar Year Billing Period Maximum kWh usage – 1,000 kWh
Customer Generation (Billing Period) – 2,000 kWh
Customer Credit– 1,000 kWh

Previous Calendar Year Billing Period Maximum kWh usage – 1,000 kWh
Customer Generation (Billing Period) – 500 kWh
Customer Credit– 500 kWh

Credits will be applied toward the customer's usage as charged by the utility based on the customer's applicable rate tariff. If the amount credited is greater than the amount charged for any billing period, the remaining credits will roll forward to the next billing cycle. Net credits at the end of a billing period will continue to roll forward to subsequent billing periods. Any remaining credits will expire upon the termination of electric service to a customer.

- V. SYSTEM INFRASTRUCTURE** For installations over 100 kW, the utility may require a study on the impact to nearby system infrastructure to be completed prior to installation. The customer shall be responsible for the actual costs of this study.
- VI. INTERCONNECTION AGREEMENT** Any customer desiring to receive credit for generation from the utility under this rate schedule is required to execute an Interconnection Agreement prior to delivering energy to the utility. Installation must follow all requirements as described in the Interconnection Agreement. By submitting an application, customer agrees to all such requirements.
- VII. METERING EQUIPMENT** Customers under this rate tariff shall have 2 sets of metering equipment. One meter to measure the customer's consumption and a second meter to measure the customer's generation. The customer shall be responsible for the actual costs of the metering equipment supplied by the utility.
- VIII. APPLICATION FEES** Customer will be charged a non-refundable application fee to cover the cost of application processing.
- IX. TERM** The utility has the right to modify, suspend, or terminate this rate upon thirty days' notice to customers.

Please contact Development Services (405-742-8220) if you have questions/concerns about the application process. See insert below.

Customer completes the [Residential \(1&2 Family\) Accessory Permit Application](#) (1 page); the Distributed Generation Interconnection Application packet (4 pages) with complete attachments and required documents; and the Distributed Generation Interconnection Agreement to City of Stillwater, Development Services Department (405-742-8220). Follow the National Electrical Code and International Building Code as required.