

## WAYNE-WHITE COUNTIES ELECTRIC COOPERATIVE

### Operational Policy #7

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

##### POLICY:

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).

##### RESPONSIBILITY:

President/CEO

##### PROCEDURE:

#### A. DEFINITIONS

1. **Avoided Costs** means the incremental costs to the cooperative of electric energy or capacity or both which, but for the purchase from the eligible renewable electrical facility, the cooperative would generate itself or purchase from another source.
2. **Avoided Energy Costs** are the avoided variable costs associated with the production of electric energy (kilowatt-hours). These costs represent the avoided costs of fuel and some operating and maintenance expenses or the cost of purchased energy. Identifiable capacity charges included in purchase power agreements shall not be included in the calculation of avoided energy costs.
3. **Avoided Total Costs** means the total avoided system energy and new capacity costs (and) not the average embedded system cost of capacity) or the avoided cost of a capacity purchase which result from the purchase of energy and capacity from an eligible renewable electrical generating facility.
4. **Capacity Costs** are the costs associated with providing the capability to deliver energy; they consist primarily of the capital costs of facilities used to generate and transmit electricity.
5. **Average Cost of Power** is the total cost incurred by the cooperative from its power supplier for energy and capacity on a per kilowatt-hour basis.

**6. Eligible Cooperative Member** means a cooperative member that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of not more than 50 kilowatts that is located on the member's premises and is intended primarily to offset the member's own electrical requirements.

**7. Eligible Renewable Electrical Generating Facility** 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.

## **B. APPLICABILITY**

This policy to purchase excess capacity 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.

## **C. PROVISIONS**

1. The eligible cooperative member shall first comply with the provisions of the Cooperative's Policy 27 Interconnection and Parallel Operation of Distributed Generation.
2. 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.
3. For generators with a nameplate rating of 50 kilowatts and below, the cooperative shall compensate or credit the eligible member for any metered excess kilowatt-hours of electric energy delivered to the cooperative at real time according to the following:
  - a. 3/2/21 – 1/1/25: at a rate equal to the cooperatives total average cost of power for the month.
  - b. Beyond 1/1/25: at a rate equal to the power suppliers avoided cost, reviewed annually.
4. For generators with a nameplate rating over 50 kilowatts, the eligible member shall follow all power supplier's policies and procedures.

5. All renewable energy credits, greenhouse gas emission credits and renewable energy attributes related to any electricity produced by the eligible renewable electrical generating facility and purchased by the cooperative shall be treated as owned by the eligible member.
6. 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.
7. The cooperative is a member of Hoosier Energy Rural Electric Cooperative, Inc., a G & T Cooperative with whom the Cooperative has contractual obligations to purchase wholesale power ("Hoosier") and as a member, the cooperative is subject to Hoosier policies applicable to all its members. To the extent that provisions of any Hoosier policy from time to time in effect concerning net metering and cooperative purchase of excess member owned generation capacity shall conflict with the provisions of this policy, the conflicting provisions of the Hoosier policy shall apply.

Adopted: February 23, 2022

Attest:   
Secretary