

SOUTH CENTRAL INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION

**AVOIDED RATE FOR SMALL POWER GENERATION SYSTEMS
RATE SCHEDULE - SPGS
EFFECTIVE FEBRUARY 1, 2009**

Availability

Available to any consumer of the corporation with a Small Power Generation System (SPGS) up to a maximum of 15 KW contracting for parallel operation in accordance with the Cooperative's rules and regulations. The SPGS must be located adjacent to an electric line of the Cooperative that is adequate for the service to be provided by the SPGS.

Small Power Generation System

Small Power Generation System shall include any cogeneration or small production facility, including renewables, with a nameplate rating up to 15 KW.

Contract

The SPGS shall enter into a contract before operating any generating equipment electrically connected to the Cooperative's system.

Rate for Purchase of Energy

The Cooperative will purchase energy from the SPGS in accordance with the conditions and limitations of the contract at the following rate:

For all KWh supplied per month \$0.03357 per KWh

In addition, a Power Cost Tracker as billed by the Cooperative's power supplier, will be added to or subtracted from the above rate. The energy will be measured by suitable integrating instruments which record date, time, KWh, and KW.

Rate for Purchase of Capacity (Avoided Cost)

The Cooperative will purchase capacity supplied from the Qualifying Facility during the Cooperative's peak period at the following rate:

Rate per KW month of capacity \$6.67 per KW month

The peak period shall be defined as 7:00 am to 9:00 am and 4:00 pm to 10:00 pm daily.

Parallel Operation

The Cooperative will permit a SPGS to operate in parallel with the Cooperative's distribution system per the Cooperative's *Member Requirements for Installation and Interconnection of Small Power Systems 15 KW or Less* and the appropriate *Agreement for Interconnection of Small Power Generation Systems*. The appropriate agreement must be executed prior to interconnection with the Cooperative's distribution system.

Maintenance, Supplementary and Backup Power

The Cooperative will provide all power required by its member for the Maintenance, Supplementary, and Backup Power requirements of the SPGS pursuant to the Cooperative's applicable retail rate schedule.

Interpretation of Schedule

The interpretation of or the application by the Cooperative or by any member of all rates, rules, and regulations included in this rate schedule shall be subject to review by the Board of Directors of the Corporation, consistent with its service rules and regulations or policies, except as otherwise provided by law.

Rate Schedule Modifications

All rate schedules and charges, as well as the Cooperative's service rules and regulations or policies, may be amended or modified, in whole or in part, at any time as deemed appropriate by the Corporation's Board of Directors.