

BUTTE ELECTRIC COOPERATIVE, INC.
Newell, South Dakota

MEMBER-OWNED CO-GENERATION OR INDEPENDENT POWER PRODUCER
EQUIPMENT

I. OBJECTIVE

To set forth conditions for member-owned co-generation or independent power producer equipment.

II. POLICY

A. The Cooperative shall permit members receiving service to connect energy-producing equipment to the system if the following conditions are met:

1. Energy-producing equipment delivering power and energy to the Cooperative system must be equipped with an automatic positive circuit breaker, provided by the member, to disconnect the co-generation equipment from the system in the event of a cooperative supply outage or when the Cooperative line is de-energized for any reason. The member shall furnish and install a positive cut-off disconnecting switch. This switch will be connected between the Cooperative meter box and the member's generator. This switch shall be located so that Cooperative personnel can operate it in case of an outage or for work on the distribution system. The Cooperative shall be permitted to test this safety requirement at any time.
2. Bi-directional metering shall be installed on all co-generation facilities and the member shall be fully responsible for the cost of this installation. KWH flow and peak demand shall be metered separately for deliveries from the Cooperative to the member and from the member to the Cooperative. Butte Electric Cooperative shall reserve the right to specify, install and maintain the metering equipment. At the direction of BEC personnel, interval demand recording may become a requirement. Net metering is not allowed by the Cooperative.
3. The Cooperative after receiving approval from our power suppliers, will purchase any energy delivered to the Cooperative from the member at the rate set by Federal Regulations and our wholesale power suppliers.
4. The Cooperative may disconnect and refuse to allow any member-owned energy-producing equipment attached to the system that causes voltage, power factor, electrical interference, or any other problems to the system

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or to other consumers. The member's load, in conjunction with the alternate generator, shall have a power factor of not less than .95.

5. The member shall provide evidence of liability insurance coverage in the amount of \$1,000,000 that would protect the Cooperative and other consumers in the event the energy-producing equipment caused injury or damage to individuals or property.
6. The co-generator will comply with all articles of State and National Electric Code, Institute of Electrical and Electronic Engineers (IEEE) Standard 1547, and the National Electric Safety Code which pertains to permanently installed co-generation systems.
7. The capacity of parallel generators shall not exceed the capacity of the member's distribution transformer, unless approval has been obtained for interconnection at the distribution voltage.
8. The power generated by the member shall not induce excessive distortion to the system's voltage or current sine waves. The maximum allowable distortion must not exceed national standards as specified in ANSI C50.12, C50.13 and C50.14 measured at the members' service box.
9. Detailed diagrams of the generator and related equipment must be furnished to the Cooperative for approval. A written request must be submitted along with the wiring diagram outlining all related wiring and safety features of the alternate system before it can be approved and connected.
10. The Member shall pay all costs necessary for rebuilding the distribution facilities if increased capacity is needed to utilize the alternate electric supply system.
11. The Member shall make every effort to minimize Noise and Shadow Flicker to any occupied building on a non-participating Landowner's property.
12. The Member shall make every effort to avoid any disruption or loss of radio, telephone, television, or similar signals, and shall mitigate any harm caused by the energy-producing equipment.
13. The Member shall, at their expense, disconnect any member-owned co-generation, or any other Facility used to generate electricity from our service within ninety (90) days if no electricity has been generated for a continuous period of six (6) months, or if the Generating Facility has reached the end of its useful life. It will be presumed the Generating

Facility has reached the end of its useful life if no electricity has been generated for six (6) months.

14. The Member shall maintain a phone number and identify a responsible person for the public to contact with inquiries and complaints throughout the life of the facility. The Member shall make every effort to respond to the public's inquiries and complaints.
15. This policy does not apply to those services who have standby equipment for their use only.
16. In conjunction with this policy, Member agrees to sign a separate interconnect agreement with the Cooperative.
17. The Member benefiting from this policy is not allowed to participate in our Heat Rate. Any Facility Owner and Operator that was participating in our Heat Rate Program and that has member-owned co-generation or independent power producer equipment prior to 06/01/16 will be grandfathered in. Any changes in ownership will be handled as a new connection and not allowed to participate in the heat rate program.
18. A Member benefiting from this policy by having member-owned co-generation or independent power producer equipment, may not have an EV (Electric Vehicle) sub-meter installed on the same account.
19. On August 15, 2016 previous policy D-15 through D-15.3 shall be repealed.

III. RESPONSIBILITY

The CEO shall be responsible for carrying out the provisions of this policy and may delegate certain responsibilities to others on the staff of the Cooperative.

Attest: _____
Secretary

Date Adopted: September 19, 2016 (this incorporated old policy D15-D15.3)
Date Amended: March 20, 2023