

SUMTER ELECTRIC MEMBERSHIP CORPORATION

ENERGY PURCHASE RATE FOR QUALIFYING FACILITIES SCHEDULE QF-EPR-1

Purpose

The purpose of this Schedule is to establish the standard purchase rates applicable to distributed generation (DG) owners who sell and deliver electric energy to the Cooperative from a DG Facility that is owned and operated by the DG owner where the distributed generation qualifies under Section 201 of the Public Utility Regulatory Policies Act of 1978 (PURPA) as a co-generator or a small power producer (hereafter referred to as QF Member).

Applicability

This Schedule applies to any QF Member that meets the following requirements:

1. Owns (or leases) and operates a DG Facility as defined in the Cooperative's Distributed Generation Interconnection Procedure for Parallel Generation Equipment (Exhibit A to Board Policy #308).
2. The DG Facility qualifies under Section 201 of the Public Utility Regulatory Policies Act of 1978 (PURPA) as a co-generator or a small power producer.
3. The energy delivered to the Cooperative must be produced by a solar photovoltaic system.
4. The generation capacity of the DG Facility is 1,000 kW or less.

For all other Qualifying Facilities that do not meet the above requirements, energy purchase rates shall be developed on a case-by-case basis based on the Cooperative's avoided cost of energy, and may consider the availability of the energy during peak periods, whether the facility is dispatchable, the reliability of the facility and other factors.

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Conditions of Service

To receive service hereunder:

1. The QF Member must have signed an interconnection agreement pursuant to the Corporation's Interconnection of Distributed Generation Resources Policy, and paid all costs as required therein.
2. The DG Facility must have been granted Qualifying Facility status by FERC (or satisfied the requirements under PURPA to be exempt from filing for Qualifying Facility status).
3. The QF Member must arrange with the Corporation for the installation of metering to measure and record interval generation data.

Purchase Rate

The rate paid to the QF Member for energy purchased by the Cooperative shall be based upon the Cooperative's avoided cost of energy. Such purchase rate shall be applied monthly at the rate of \$0.04055 per kWh and may be adjusted at any time at the sole discretion of the Cooperative, but not less than every two years, to reflect the prevailing avoided cost of energy.

Term of Service

The term for which this Schedule applies shall be determined by the *Agreement For Interconnection and Parallel Operation of Member Generation*, SEMCO Form 3082, as executed by both QF Member and Sumter EMC.

Effective Date: January 1, 2018

Billing Code: 71