

Municipal Energy Agency of Nebraska	Revision No.	1.5
	Effective Date	August 16, 2018
Renewable Distributed Generation Policy		

Policy Statement: The Total Requirements Power Supply Contracts between MEAN and the Total Requirements Participants (each, a “TRP” as defined below) provide for the TRP to purchase all of its electric requirements from MEAN in excess of its firm power allocation from the Western Area Power Administration. Recent trends in State and Federal regulation and legislation promote the expanded deployment of a wide variety of renewable and distributed generation technologies, including legislation implementing net metering policies.

This Policy has been adopted in recognition of these trends. This Policy also establishes a de minimis exception/clarification to the full requirements purchase obligation under the Total Requirements Power Supply Contracts for TRPs to install under certain limited circumstances Renewable Generation Resources, or to enter into power purchase agreements under certain limited circumstances to purchase the output of Renewable Generation Resources, to offset portions of the TRP’s electric supply requirements.

The following table is provided for illustrative purposes only, as a summary of the provisions of this Policy. In the event of a conflict between the table and the other provisions of the Policy, the other provisions of the Policy shall control.

		Grandfathered Generation	Non-Grandfathered Generation				Section
			25 kW or less		Greater than 25 kW		
			TRP (1) Resource	End-User Owned	TRP (1) Resource	End-User Owned	
FCRC and Transmission	DG production output is used in the allocation of FCRC	No	Yes	Yes	Yes	Yes	2.05, 2.08
	DG production output is used in transmission billing	Per Tariff Requirements					2.05, 2.08
Metering	DG production output may be metered	Yes	Yes	Yes	Yes	Yes	2.06, 2.07
	DG production output which is not metered may use nameplate ratings for output	Yes	Yes	Yes	Yes	Yes	2.05
	Production output which is not metered may estimate output by sampling metered DG	Yes	No	No	No	No	2.08
Excess Energy	MEAN purchases End-User excess energy at avoided cost rate	No	No	No	No	Yes	Appendix A
	MEAN adds End-User excess energy to TRP bill	No	No	No	No	Yes	Appendix A
Cap	DG installed production is limited to the higher of 2% of 3-year average annual energy or 100 kW	No	Yes	No	Yes	No	2.04

(1) TRP Resources are subject to the Cap in section 2.04 of the Policy.

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Section 1. Definitions

In addition to terms defined elsewhere in this Policy, the following terms have the following meanings when used herein:

- 1.01 “Avoided Cost Rate” means MEAN’s avoided cost rate as determined from time to time consistent with applicable legal and regulatory standards.
- 1.02 “Cap” shall have the meaning ascribed thereto in Section 2.04.
- 1.03 “Fixed Cost Recovery Charge” shall have the meaning ascribed thereto in the then-current Schedule of Rates and Charges to the TRP’s Total Requirements Power Supply Contract.
- 1.04 “MEAN” means the Municipal Energy Agency of Nebraska.
- 1.05 “Policy” means this Renewable Distributed Generation Policy.
- 1.06 “PPA” means an agreement among a TRP, a developer and MEAN under which the TRP purchases all or a portion of the electrical output of a Renewable Generation Resource, subject to the Cap, as permitted under Section 2.03 of this Policy.
- 1.07 “PURPA” means the Public Utility Regulatory Policies Act of 1978, as may be amended from time to time.
- 1.08 “Renewable Generation Resource” means electric generation interconnected behind the wholesale meter of a TRP or behind the retail meter of (or otherwise owned by) an end-user and such generation’s primary energy source is hydro, wind, solar, biomass, solid waste, or geothermal resources, or other forms of renewable generation as determined on a case-by-case basis by the Director of Wholesale Electric Operations of MEAN. In no event shall a generating facility qualify as a Renewable Generation Resource under this Policy unless it is of a type and character that would be within the definition of a “qualifying facility” or “renewable resource” under state or federal legislation or regulations. This definition shall not include any resource that is owned, purchased, or leased by a TRP that is either (i) approved by the MEAN Board of Directors or Management Committee to reduce the TRP’s supplemental load to be served by MEAN, which approval must be granted in conjunction with execution of the Total Requirements Power Supply Contract, or (ii) leased or purchased by MEAN (in whole or in part) under a separate written agreement.
- 1.09 “Total Requirements Participant” or “TRP” means the purchaser under a Total Requirements Power Supply Contract.
- 1.10 “Total Requirements Power Supply Contract” means a power supply contract under which the TRP agrees to purchase all of its electricity requirements from MEAN, less its Western Area Power Administration allocation(s), including without limitation agreements under Service Schedule M, Service Schedule K and Service Schedule J of the Electrical Resources Pooling Agreement.

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1.11 “TRP Resource” means a Renewable Generation Resource owned and operated by the TRP or the TRP’s purchases under a PPA permitted under Section 2.03 of this Policy, which output is used by the TRP to offset the Energy Charge for purchases from MEAN up to the Cap as permitted by Section 2.03 of this Policy.

Section 2. Establishment of Renewable Distributed Generation Policy

2.01 Application of Policy. This Policy shall apply to TRPs who have executed a Total Requirements Power Supply Contract with MEAN.

2.02 Renewable Purchases. A TRP may (a) permit an end-use customer to utilize the AC electrical output of a Renewable Generation Resource to instantaneously supply all or a portion of such customer’s own load and/or (b) purchase all or a portion of electrical output from a Renewable Generation Resource owned by an end-use customer, in each case consistent with applicable laws and interconnection standards. A TRP’s purchase of output from an end-use customer as described above shall be defined as “Renewable Purchases”.

2.03 Renewable Generation Offsets. A TRP may install, own and operate Renewable Generation Resources (including without limitation community solar projects) under certain conditions as set forth in this Policy. A TRP may also enter into a PPA to purchase all or a portion of the electrical output of a Renewable Generation Resource as defined in Section 1.08 under certain conditions as set forth in this Policy. PPAs will be permitted under this Section 2.03 only to allow the TRP to benefit from the effects of tax incentives. A TRP must receive approval from MEAN for each Renewable Generation Resource, including TRP-owned and PPAs, as described in Section 2.14. Renewable Generation Resources, including TRP-owned and PPAs, other than community solar projects, must be located on the TRP’s system. Community solar projects must be located on the TRP’s system or on the system of another TRP if it is a joint community project among MEAN TRPs. The TRP may use the output from such Renewable Generation Resources, as well as the Renewable Generation Resource output purchased under an approved PPA, to reduce its purchases of electricity from MEAN (“Offset”), subject to the Cap described in Section 2.04 below. For each TRP, the sum of all new and existing TRP Resources’ nameplates, and for PPAs the contracted capacities, shall be limited by MEAN so the sum of the annual energy produced by the TRP Resources does not exceed the TRP’s Cap (excluding facilities grandfathered as described in Section 2.08). MEAN shall adjust the TRP’s monthly bill as necessary to ensure the Energy Charge reflects reduced kilowatt hour (“kWh”) purchases from MEAN due to TRP Resource output for the current billing month only. Once the TRP reaches the Cap, no further Energy Charge reductions will be given in that fiscal year.

2.04 Cap. Approval of a TRP Resource under Section 2.14 shall be granted to TRP only if all the requirements of this Policy are met and MEAN determines in its sole discretion that the aggregate annual energy output of the subject Renewable Generation Resource and any previously approved Renewable Generation Resource(s) owned by the TRP (excluding facilities grandfathered as described in

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Section 2.08), and any TRP purchases under a PPA pursuant to Section 2.03, will not exceed the Cap. The Cap shall be the greater of (i) two percent (2%) of the TRP’s most recent three-year historical average annual kWh load (based on MEAN’s fiscal year) served by MEAN (excluding any non-MEAN resources including without limitation firm electric service from Western Area Power Administration or electrical output from facilities owned or purchased by the TRP with approval of the MEAN Board of Directors) or (ii) the energy generated by 100 kW (“Cap”).

2.05 Facility-Specific Provisions.

- a. The following provisions apply to (i) any and all TRP Resources under the Cap described above, and to (ii) any and all Renewable Generation Resources with an estimated rated generating capacity of 25 kW or less per meter which are owned by an end-use customer of the TRP:
 1. All monthly AC output (net of any generator auxiliary usage) from such Renewable Generation Resources, and any TRP purchases under a PPA pursuant to Section 2.03, will be added back to the TRP’s monthly peak demand for purposes of determining the TRP’s Fixed Cost Recovery Charge allocation, and may be added back for purposes of Network Integration Transmission Service (NITS) charges or any other non-energy charges, as applicable, assessed to the TRP on whose distribution system the facility is interconnected.
 2. TRP shall provide advance notice to MEAN prior to interconnecting any end-use customer Renewable Generation Resource. TRP shall make every effort to inform MEAN of a potential Renewable Generation Resource as soon as the TRP becomes aware of the potential resource. Notice shall comply with the provisions of Section 2.15.
 3. TRP must receive pre-approval from MEAN as described in Section 2.14 for any TRP Resources.
 4. TRP shall timely provide MEAN with the necessary meter data to facilitate proper billing and reporting. Metering and data shall comply with the provisions of Sections 2.06 and 2.07. For any month in which the TRP fails to provide the necessary meter data to MEAN in a timely manner as described in Sections 2.06 and 2.07, the nameplate capacity applies as follows:
 - a. MEAN will assume the Renewable Generation Resource produced at its nameplate capacity, or at the PPA-specified capacity, and will include such assumed output for purposes of calculating the Fixed Cost Recovery Charge allocation; and
 - b. MEAN may at its discretion assume the Renewable Generation Resource produced at its nameplate capacity, or at the PPA-specified capacity, and may include such assumed output for purposes of reporting network load

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to calculate transmission charges or any other non-energy charges from MEAN to TRP.

5. No Energy Charge shall apply to output from such Renewable Generation Resources or any TRP purchases under a PPA pursuant to Section 2.03.
 6. The TRP shall at all times remain responsible for compensating the end-use customer for electrical output.
- b. The following provisions apply to Renewable Generation Resources with an estimated rated generating capacity of greater than 25 kW per meter which are owned by an end-use customer of the TRP, except to the extent the output of such Renewable Generation Resource is sold to a TRP under a PPA pursuant to Section 2.03:
1. The TRP may, at its discretion, work with MEAN to negotiate a power purchase agreement directly between MEAN and the end-use customer or project developer under which MEAN will purchase the output of the facility. If (i) the TRP elects not to work with MEAN to negotiate such a power purchase agreement, or (ii) the parties for any reason cannot reach mutually acceptable terms for such purchase, the other provisions of this Policy will apply.
 2. All monthly AC output (net of any generator auxiliary usage) from such Renewable Generation Resources will be added back to the TRP's monthly peak demand for purposes of determining the Fixed Cost Recovery Charge allocation, and may be added back for purposes of Network Integration Transmission Service (NITS) charges or any other non-energy charges, as applicable, assessed to the TRP on whose distribution system the facility is interconnected.
 3. TRP shall provide advance notice to MEAN prior to interconnecting any Renewable Generation Resource owned by an end-use customer. TRP shall make every effort to inform MEAN of a potential Renewable Generation Resource as soon as the TRP becomes aware of the potential resource. Notice shall comply with the provisions of Section 2.15.
 4. TRP shall timely provide MEAN with the necessary meter data to facilitate proper billing and reporting. Metering and data shall comply with the provisions of Section 2.06. For any month in which the TRP fails to provide the necessary meter data to MEAN in a timely manner as described in Section 2.06, the nameplate capacity applies as follows:
 - a. MEAN will assume the Renewable Generation Resource produced at its nameplate capacity and will include such assumed output for purposes of calculating the Fixed Cost Recovery Charge allocation;
 - b. MEAN may at its discretion assume the Renewable Generation Resource produced at its nameplate capacity and may include such assumed output for purposes of reporting network load to calculate transmission charges or any other non-energy charges from MEAN to TRP; and

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- c. MEAN may at its discretion assume the Renewable Generation Resource produced at its nameplate capacity when calculating the credit on the Total Requirements Power Supply Contract bill for the energy delivered to the distribution system and the increase to the TRP's kWh billing amount for energy purchased from MEAN as further described on Appendix A to this Policy.
- 5. Each Renewable Generation Resource will be treated as if it were a MEAN generation resource through a sale or assignment to MEAN, as further described on Appendix A to this Policy.
- 6. The TRP shall at all times remain responsible for compensating the end-use customer for electrical output.

A TRP shall cooperate with MEAN in a commercially reasonable manner to give effect to the foregoing provisions, including the execution of such instruments of sale or assignment as may be deemed necessary or desirable by MEAN.

Grandfathered facilities meeting the requirements of Section 2.08 are not subject to Section 2.05.

2.06 Metering of Directly Connected End-Use Customer Facilities.

- a. Subject to Section 2.08, TRP shall cause to be installed and own revenue-quality AC interval recording metering equipment in the locations described in subsections 1, 2 and 3 below. Such equipment shall be capable of recording the following readings from each end-use customer with Renewable Generation Resource(s):
 - 1. For Grandfathered Renewable Generation Resources the output of the generator (metering equipment shall be installed on the generator circuit).
 - 2. For Renewable Generation Resources with an estimated rated generating capacity of 25 kW or less per meter which are owned by an end-use customer of the TRP: the output of the generator (metering equipment shall be installed on the generator circuit).
 - 3. For Renewable Generation Resources with an estimated rated generating capacity of more than 25 kW per meter which are owned by an end-use customer of the TRP: (1) the output of the generator, and (2) the energy flowing to and from the customer and TRP's system, as shown by a bidirectional meter reading (metering equipment shall be installed on the generator circuit and at the interconnection point between the TRP's system and the end-use customer).

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- b. TRP shall take meter readings on the same cycle as the otherwise applicable rate schedule.
- c. Hourly meter readings shall be provided to MEAN once daily by electronic means in a format and on a time schedule acceptable to MEAN.

2.07 Metering of TRP Resources. TRP acknowledges that it must comply with the provisions of the Electrical Resources Pooling Agreement and the Policies and Procedures issued thereunder, including but not limited to Article XIV, Metering and Records, of the Electrical Resources Pooling Agreement and Article XI, Metering, of the Electrical Resources Pooling Agreement Policies and Procedures. For PPAs permitted under Section 2.03, TRP shall cause to be installed and own revenue-quality AC interval recording metering equipment at the interconnection point between the TRP's system and the Renewable Generation Resource.

2.08 Grandfathered Facilities.

- a. A Renewable Generation Resource that was installed and operational prior to May 19, 2016, or other Renewable Generation Resource for which the TRP has an executed interconnection agreement prior to October 2, 2016, may, at the discretion of the Board of Directors of MEAN, be grandfathered if the TRP reports to MEAN all necessary data regarding the resource within sixty (60) days of MEAN's request for such data. Grandfathered facilities are shown on Appendix B. Output from grandfathered facilities will not be subject to the Cap or an Energy Charge, and will not be factored in the TRP's Fixed Cost Recovery Charge. In no event will output from grandfathered facilities be applied in a manner to reduce any other demand or non-energy charges or Network Integration Transmission Service (NITS) charges that would otherwise be due if such output had not been generated. The TRP shall at all times remain responsible for compensating the end-use customer for electrical output.
- b. The TRP shall timely provide MEAN with the necessary meter data to facilitate proper reporting of output from grandfathered facilities for purposes of reporting network load to calculate transmission charges or any other non-energy charges from MEAN to TRP. Metering and data shall comply with the provisions of Sections 2.06 and 2.07.
- c. For any month in which the TRP fails to provide the necessary meter data to MEAN in a timely manner as described in Sections 2.06 and 2.07, one or more of the following assumptions will apply:
 - 1. In the event that:
 - a. TRP attests that it has Representative Sample Facilities, as that term is defined below, and

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- b. TRP attests that the Representative Sample Facilities are at least twenty percent (20%) by count of facilities of the grandfathered facilities and are metered and reported to MEAN, and
- c. such Representative Sample Facilities are identified to MEAN and are in fact metered and reported as required by Sections 2.06 and 2.07, and
- d. such attestation is made in a form acceptable to MEAN in its sole discretion, executed by an authorized officer of the TRP and is submitted to MEAN at least thirty (30) days prior to the first day of the calendar month in which TRP requests MEAN to utilize such Representative Sample Facilities data, and
- e. such attestation includes a written agreement on behalf of the TRP that (i) MEAN is entitled to rely on the attestation each month until terminated or superseded by a new sufficient attestation, (ii) TRP acknowledges that revisions to TRP’s attestation are permitted only for material changes to update the Representative Sample Facilities list for the TRP due to installation or removal of qualifying metering equipment on grandfathered facilities, and (iii) TRP shall reimburse MEAN for any fines, penalties or charges imposed by a third party for failure to report the actual output in any month to which the attestation applies,

then output from any similar unmetered grandfathered facilities on the TRP’s distribution system shall be assumed at a percentage equal to the Assumed Capacity Value, as that term is defined below, calculated at the time of the transmission provider’s system peak for the applicable billing period times the unmetered grandfathered facility’s nameplate capacity.

For purposes of this Policy:

Representative Sample Facilities shall mean Renewable Generation Resources installed and operational on the TRP’s distribution system that have been grandfathered under this Policy and are of similar type, technology and energy source as the unmetered grandfathered facilities; and

Assumed Capacity Value shall mean the arithmetic mean of the capacity value of the metered and reported Representative Sample Facilities calculated at the time of the transmission provider’s system peak for the applicable billing period. Capacity value refers to the percent contribution of a Renewable Generation Resource to reliably meet demand. The output capacity is measured as a fraction (capacity value) of the nameplate capacity of the Renewable Generation Resource.

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Sample calculation (for illustrative information purposes only):

Number of Grandfathered Facilities:	20
Sample Size for metering:	20%
Number of Facilities Requiring Meters:	4

Calculation to Establish Average Output of Metered Facilities at Transmission Provider's Coincident Peak

Facility #	Nameplate (kW)	Metered Output in AC at Transmission Provider's Coincident Peak (kW)	Capacity Value at Coincident Peak as a Percentage of Nameplate	Calculated Output for Reconstitution of Load for Transmission (kW)
1	6.0	3.7	61.0%	3.7
2	36.0	23.5	65.2%	23.5
3	14.0	8.2	58.6%	8.2
4	5.2	3.5	67.8%	3.5
Nameplate: 61.2		Assumed Capacity Value at Coincident Peak of Metered Facilities: 63.2%		Metered: 38.9

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Calculation of Non-metered Grandfathered Facilities Using Average Output at Coincident Peak of Metered Facilities

Facility #	Nameplate (kW)	Assumed Capacity Value at Coincident Peak	Calculated Output for Reconstitution of Load for Transmission (kW)
5	4.0	63.2%	2.5
6	7.5	63.2%	4.7
7	5.0	63.2%	3.2
8	6.0	63.2%	3.8
9	10.0	63.2%	6.3
10	9.9	63.2%	6.3
11	20.5	63.2%	12.9
12	10.0	63.2%	6.3
13	10.0	63.2%	6.3
14	5.7	63.2%	3.6
15	11.6	63.2%	7.3
16	96.0	63.2%	60.6
17	22.9	63.2%	14.5
18	6.5	63.2%	4.1
19	3.9	63.2%	2.5
20	3.3	63.2%	2.1

Nameplate without Meters: 232.8

Estimated Output: 147.0

Resulting Total Output of Grandfathered Facilities

Total Nameplate with Meters:	61.2 kW
Total Nameplate without Meters:	<u>232.8 kW</u>
Total Nameplate:	294.0 kW
<hr/>	
Total Metered Output:	38.9 kW
Total Estimated Output:	<u>147.0 kW</u>
Output at Transmission Provider's Coincident Peak:	185.9 kW

2. To calculate the output from any grandfathered facility not meeting the requirements of subsection 1. above, MEAN may at its discretion assume the Renewable Generation Resource produced at its nameplate capacity and may

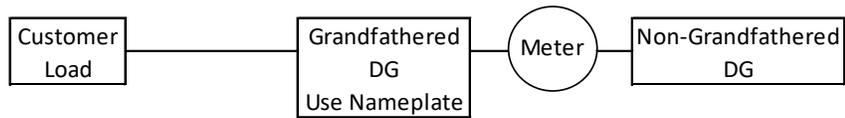
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include such assumed output for purposes of reporting network load to calculate transmission charges or any other non-energy charges from MEAN to TRP.

- d. The nameplate capacity of Renewable Generation Resources must be reported as the AC rating for AC generators or the DC rating for generators using inverters, as applicable.
- e. Increase in nameplate capacity.
 - 1. Except as provided in subsection 2.08.e.2. below, a grandfathered facility will lose its grandfathered status under this Policy if its nameplate capacity is increased.
 - 2. A grandfathered facility may retain grandfathered status despite an increase in nameplate capacity only if:
 - a. (i) the entire facility is not metered, (ii) only the original capacity is treated as grandfathered using the approved grandfathered nameplate rating, and (iii) all nameplate capacity exceeding the approved grandfathered nameplate rating is treated as non-grandfathered under this Policy, or



- b. (i) the grandfathered generation capacity is not metered and (ii) the additional generation capacity is metered separately from the grandfathered capacity and this additional generation capacity is treated as non-grandfathered under this Policy, or

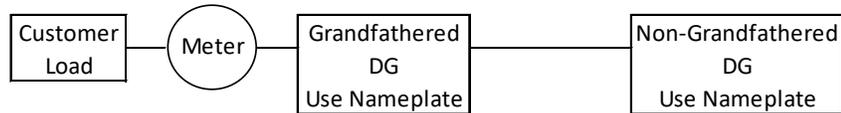


- c. (i) the grandfathered generation capacity is metered separately from the additional capacity and (ii) the additional generation capacity is metered separately from the grandfathered capacity or does not have a meter and this additional generation capacity is not treated as grandfathered under this Policy, or



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- d. (i) the entire facility is metered, and (ii) the additional generation capacity is not separately metered and is treated as non-grandfathered under this Policy, and (iii) an authorized official of the TRP elects in writing to use the nameplate ratings for the grandfathered generation capacity and the additional non-grandfathered generation capacity, in lieu of the meter readings.



3. The increase in nameplate capacity shall be considered a separate Renewable Generation Resource and shall not be considered to be grandfathered for purposes of this Policy.
4. Nothing in this Section 2.08.e. affects the TRP’s obligation under this Policy to provide notice to MEAN as provided in Section 2.15 for capacity additions to end-use customer facilities and to complete the application process and obtain MEAN’s approval of TRP-owned generation for the additional capacity as provided in Section 2.14.

- f. The requirements in this Section 2.08 shall apply in lieu of Section 2.05 with regard to grandfathered facilities.

2.09 Billing and Credits for TRPs. Billing and credits shall be administered as set forth on Appendix A. All costs and liabilities associated with the installation, ownership and operation of Renewable Generation Resources shall be borne by the TRP or its end-use customers.

2.10 Environmental Attributes Associated with Offsets. The TRP shall retain any and all rights with respect to environmental attributes associated with Offsets permitted under Section 2.03, and at MEAN’s sole discretion shall transfer and sell to MEAN, at MEAN’s standard rate for compensating PURPA qualifying facilities for environmental attributes, any environmental attributes associated with electrical output from Renewable Generation Resources that exceeds the Cap described in Section 2.04. The TRP’s rights described in this Section shall be subject to the following right of first refusal: If the TRP seeks to transfer, sell, or otherwise use the environmental attributes as renewable energy credits (“RECs”) for a purpose other than (a) to meet a statutory obligation imposed directly on the TRP, (b) to benefit the TRP’s own end-use customers, or (c) to meet the obligations associated with any state or federal government program from which the funding for the Renewable Generation Resource or a portion thereof was received, then MEAN shall have the right of first refusal to purchase the environmental attributes from the TRP.

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2.11 Environmental Attributes Associated with End-Use Customer Facilities. The end-use customer shall retain any and all rights with respect to environmental attributes associated with output that was consumed by the customer. For any output sold to TRP under Section 2.02, including attributes associated with output that was banked under a net metering program, TRP shall, if directed by MEAN in its sole discretion, negotiate in good faith to purchase the environmental attributes from the end-use customer and transfer and sell to MEAN any environmental attributes associated with such output. Compensation for the sale of attributes to MEAN shall be at the rate paid to the end-use customer; however, the TRP shall not agree to pay an amount greater than MEAN's standard rate for compensating PURPA qualifying facilities for environmental attributes without consent of MEAN.

2.12 Net Metering Provisions. A TRP may, at its sole cost and expense, offer net metering or other financial incentives to end-use customers (whether required by law or voluntarily). Notwithstanding any net metering or other financial incentive offered by a TRP, the rate paid to a TRP by MEAN for output from Renewable Generation Resources will not exceed MEAN's Avoided Cost Rate unless otherwise approved by the MEAN Board of Directors. TRP shall be responsible for developing and administering an application process for interconnection and net metering, if applicable, of customer-owned renewable generation in accordance with this Policy. TRP shall be responsible for ensuring the necessary metering equipment as well as conducting the appropriate inspections of customer-owned generation systems. TRP and eligible customers shall be required to execute an Interconnection, Energy Purchase and Service Agreement setting forth the terms and conditions for interconnection and metering of customer-owned renewable generation that is consistent with this Policy.

2.13 Rate Setting. The TRP acknowledges that it has covenanted in the Total Requirements Power Supply Contract with MEAN to fix rates and charges for the services of its municipal electric utility system, and revise the same from time to time, and collect and account for the revenues therefrom so that such rates and charges will produce revenues and receipts which will at all times be sufficient to enable the TRP to pay the amounts payable by it to MEAN under the Total Requirements Power Supply Contract when and as the same become due. Further, the TRP agrees that nothing in this Policy affects, modifies or amends such covenants.

2.14 Application Process for TRP Resources. TRPs desiring to take advantage of the Offsets under this Policy shall submit a request to the Executive Director of MEAN which at a minimum shall detail the following information and a statement by the TRP that the request meets the program criteria as outlined in this Policy:

- a. nameplate generating capacity rating (in kW) of the facility (AC or DC rating, as applicable; see subsection 2.08.d),
- b. estimated total AC electrical output in kWh from the facility per month,
- c. type of generating unit (examples include wind and water powered turbine generators and photovoltaic generators/invertors),
- d. fuel type (examples include hydro, wind, solar),
- e. one-line electrical diagram including interconnection

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- f. copy of any PPA proposed to be executed by the TRP pursuant to Section 2.03,
- g. attestation by the TRP that any PPA proposed to be executed by the TRP meets the criteria in Section 2.03, and
- h. any other information related to the facilities or TRP's system as MEAN may request from time to time.

The Board of Directors of MEAN shall approve the TRP's request following a review by MEAN staff if the Board determines that the criteria of this Policy have been satisfied. If the Board of Directors determines that a particular request does not meet the criteria or that the information submitted is lacking, MEAN shall advise the TRP of the deficiency and the TRP shall have an opportunity to supplement or revise its request. If the TRP desires to increase the capacity of any approved TRP Resource, TRP shall repeat the application process described in this Section and must receive MEAN's approval prior to interconnecting such additional capacity.

2.15 Notice Regarding End-Use Customer Facilities. TRPs shall provide advance notice to MEAN prior to interconnecting any end-use customer facility and prior to operations of any additional capacity at an existing end-use customer facility. Such notice shall include but not be limited to the following information:

- a. nameplate generating capacity rating (in kW) of the facility (AC or DC rating, as applicable; see subsection 2.08.d),
- b. estimated total electrical AC output in kWh from the facility per month,
- c. estimated amount of AC energy in kWh to be produced by the facility in excess of end-use customer's load per month,
- d. type of generating unit (examples include wind and water powered turbine generators and photovoltaic generators/invertors),
- e. fuel type (examples include hydro, wind, solar),
- f. one-line electrical diagram including interconnection, and
- g. any other information related to the facilities or TRP's system as MEAN may request from time to time.

2.16 Applicable Law. This Policy is subject to federal, state, regional and local laws, regulations, orders and applicable transmission provider or regional transmission organization tariff, business practices and market rules.

2.17 PURPA Purchase Obligations. TRPs shall provide such information and complete such filings and applications as MEAN may request from time to time to transfer TRP's PURPA purchase obligation to MEAN. For any PURPA Qualifying Facility interconnected with TRP's system, the TRP's avoided cost rate shall be based on MEAN's Avoided Cost Rate.

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2.18 Fines and Penalties. Each TRP shall be responsible to reimburse MEAN for any fines, penalties or charges imposed by a third party arising out of or resulting from TRP's failure to (i) timely notify MEAN of the interconnection of any Renewable Generation Resource, or (ii) timely provide accurate and complete metering data as required by this Policy.

2.19 No Breach Under Total Requirements Power Supply Contract. A TRP that complies with the provisions of this Policy will not be considered to be in violation or breach of its total requirements purchase obligation under its Total Requirements Power Supply Contract.

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APPENDIX A
RENEWABLE GENERATION BILLING AND CREDIT PROCEDURE

I. Sale or Assignment to MEAN. For end-use customer-owned Renewable Generation Resources with an estimated rated generating capacity of greater than 25 kW per meter interconnected to the distribution system of a TRP of MEAN, except to the extent the output of such Renewable Generation Resource is sold to a TRP under a PPA pursuant to Section 2.03, the TRP shall, after consultation with MEAN, take one or more of the following actions, as applicable:

- a. If a TRP's purchase of output from such Renewable Generation Resource is made pursuant to a contract that is assignable by its terms and provides for the purchase of electrical output at the MEAN Avoided Cost Rate, the TRP shall assign the contract to MEAN. Credits and charges for energy delivered to the TRP's distribution system shall be applied as described below;
- b. If a TRP's purchase of output from such Renewable Generation Resource is made pursuant to a contract that is either not assignable by its terms or provides for the purchase of electrical output at other than the MEAN Avoided Cost Rate, the TRP shall sell the electrical output it purchases from the facility to MEAN at MEAN's Avoided Cost Rate. Credits and charges for energy delivered to the TRP's distribution system shall be applied as described below.

The TRP shall at all times (whether under subsection a. or b. above) remain responsible for compensating the end-use customer for electrical output.

Unless an alternate arrangement is agreed to by and between the TRP and MEAN in the TRP's Total Requirements Power Supply Contract with MEAN or in a separate written agreement, the following credit provisions shall apply: MEAN shall pay TRP at the MEAN Avoided Cost Rate in the form of a credit on the Total Requirements Power Supply Contract bill for the energy delivered hourly to the distribution system. The credit will be calculated as follows each month:

$$\text{Credit} = \text{MEAN's Avoided Cost Rate} * \text{Monthly total of hourly kWh delivered to MEAN}$$

As part of the monthly bill adjustment, MEAN will also increase TRP's kWh billing amount by the same kWh amount as the end-use customer-owned renewable generation purchased by MEAN.

A TRP shall cooperate with MEAN in a commercially reasonable manner to give effect to the foregoing provisions, including the execution of such instruments of sale or assignment as may be deemed necessary or desirable by MEAN.

II. Fixed Charges. In no event shall the credits provided by MEAN under this Policy be applied to reduce any portion of the Fixed Cost Recovery Charge or other demand or non-energy charges. All output from

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Renewable Generation Resources will be added back to the monthly billing for purposes of determining such charges.

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APPENDIX B
GRANDFATHERED FACILITIES LIST¹

Dated effective as of January 19, 2017

Participant²	# of units	Nameplate Capacity (kW)
ALLIANCE	4	1.96
ASPEN	27	230.84
CRETE	1	4.32
CURTIS	1	9.36
DELTA	6	55.08
DENVER	1	8.00
FAIRBURY	1	25.00
FORT MORGAN	15	102.74
GERING	2	7.40
GLENWOOD SPRINGS	69	515.01
GUNNISON	9	46.34
INDIANOLA	2	7.30
KIMBALL	1	2.10
LYONS	28	164.83
NEBRASKA CITY	1	3.50
OAK CREEK	1	25.00
RED CLOUD	1	5.00
SIDNEY	1	1.05
TORRINGTON	1	15.00
WALL LAKE	1	660.00
WAVERLY	6	64.02
WEST POINT	1	24.90
WRAY	1	900.00
Total	181	2,878.75

This Appendix B supersedes the Appendix B dated effective as of November 17, 2016.

¹ Facility-specific data is on file with MEAN.

² List does not include generating facilities that were approved by the MEAN Board of Directors prior to August 18, 2016.

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Revision History

Version	Effective Date	Description of Revision
1.5	August 16, 2018	Added: provisions allowing certain PPAs Revised: representative sampling provisions for Grandfathered facilities
1.4	November 16, 2017	Added: illustrative table summarizing Policy; provisions regarding increases in nameplate capacity of Grandfathered facilities; Policy revision history Revised: metering provisions; AC/DC rating provisions; notice provisions; Appendix A hourly credit provisions; housekeeping changes
1.3	August 17, 2017	Revised: Cap on TRP-owned generation
1.2	January 19, 2017	Added: representative sampling for Grandfathered facilities; fines and penalties provisions; housekeeping changes Revised: name of Policy; metering provisions
1.1	November 17, 2016	Added: Grandfathered Facilities list
1.0	May 19, 2016	