## MOUNTAIN PARKS ELECTRIC, INC. BUSINESS FUNCTIONS POLICIES AND PROCEDURES

SUBJECT: Interconnection of Distributed Energy	POLICY No. B-10
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## I. OBJECTIVE

To establish the rules and conditions under which member-owned generation may be connected to the cooperative's distribution system.

## II. POLICY

Electricity is supplied to Mountain Parks Electric, Inc. (MPEI) through a Wholesale Electric Service contract with Tri-State Generation and Transmission Association, Inc. (Tri-State). MPEI members may self-generate by separating themselves from MPEI's distribution system or may generate in parallel with the MPEI distribution system under the following conditions:

Stand Alone Generation: MPEI's members shall be permitted to generate electricity by separating their electric system from the cooperative. This type of generation is normally done during a power outage on MPEI's electrical system and is done under National Electrical Code requirements for standby generators and transfer switches. Transfer switches shall be break-before-make to prevent parallel operation of a member's generator with the cooperative's electric system.

<u>Parallel Generation</u>: A member of the cooperative shall only be permitted to generate electricity by connecting member-owned generation in parallel with the cooperative's electrical system under the following conditions:

1. The member-owned generation must satisfy MPEI's then applicable tariff. The current applicable rates are found at Sections 330, 340, and 341.

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- 2. The member must submit to MPEI plans of their proposed installation and must obtain approval for the installation. This approval process will include a review by MPEI of the effect of the proposed generation on the cooperative's distribution system, including its protective scheme. MPEI reserves the right to refuse to connect parallel generation to its distribution system based on this review. The member requesting inter-connection shall pay the cost of this review with an initial engineering deposit of \$100 plus \$1 per kW of rated generation output to initiate the process; additional deposit payments may be required for proposed interconnection if necessary to cover consulting engineer's system impact study. No installation will be permitted that reduces reliability to other members or causes voltage conditions on the system to be outside of the limits of ANSI C84.1 Range A. No installation will be permitted that is expected to produce objectionable harmonics on the system. Any mitigation required to resolve harmonic problems created by a member-owned generator must be completed and paid for by the member.
- 3. The member will be responsible for the cost of any alterations to MPEI's distribution system to interconnect the proposed generation to MPEI's distribution system, including upgrade of conductor size, addition of voltage regulation equipment, addition of protection equipment, or installation of transformers to accommodate the output of the unit.
- 4. The member will pay for the cost of the metering, specified and installed by MPEI or Tri-State, necessary to measure the output of the unit. At a minimum, the metering data shall be time differentiated and shall be capable of measuring energy flow in both directions.
- 5. For any member choosing to self-generate, the member will be served under provisions of a rate schedule that recovers MPEI's cost of service.
- 6. The installation shall meet the requirements of the Institute of Electrical and Electronics Engineers (IEEE) 1547 "Standard for Interconnecting Distributed Resources with Electric Power Systems," requirements of the National Electrical Code (ANSI/NFPA 70) latest edition, requirements of the National Electrical Safety Code (IEEE C2) latest edition, requirements of the State, requirements of the local municipality and the requirements of MPEI's engineering department. The member shall certify that these requirements have been met and shall provide an electrical inspection by a qualified independent third party inspector acceptable to MPEI's engineering department.

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- 7. The member making the installation shall indemnify and hold harmless MPEI from the operation, non-operation or interconnection of member-owned generation equipment.
- 8. The member shall agree to periodic testing of the protective equipment installed with the generator as required by the cooperative's engineering department with the cost of testing borne by the member.
- 9. If the cooperative is to supply standby service or synchronization service, the member shall pay to MPEI monthly fees to cover the costs to reserve capacity or provide an AC signal.
- 10. MPEI, through Tri-State Generation and Transmission's (T-S') Policy 117, may offer monetary compensation for RECs to members with qualifying, member-owned, renewable generation connected to MPEI's distribution system pursuant to Policy No. B-027. To receive compensation, the member must agree to transfer to MPEI all RECs generated from the renewable generation facility and enter into an agreement to transfer the RECs. Compensation is contingent upon future funding of TSG&T Policy 117, is subject to annual review and may be discontinued at any time.

## III. RESPONSIBILITY

The General Manager is responsible for the administration and enforcement of this policy.

MAN

PRESIDENT

DATE: 6-9-2022