

<b>FARMERS ELECTRIC COOPERATIVE, INC. TARIFF FOR ELECTRIC SERVICE</b>	Section: III	Tab – Page No. 16 – 1
Title: SERVICE RULES AND REGULATIONS Part 10 – Distributed Generation – Sales and Purchases, To or From Producer Applicable to All Service Areas	Approved: April 25, 2017 Effective: January 1, 2018	

343. Rate.

The following applies to the interconnection of all qualifying power generating installations having a nameplate rating or design capacity of less than 1,000 kilowatts.

For interconnection of all power generating facilities, including those of 1,000 kilowatts or more, the Member and Cooperative may agree to additional or different terms, conditions, or rates for the sale or purchase of electricity.

343.1 DG Installation Charge

All DG facilities shall be billed the following DG Installation Charge monthly in additional to any other applicable Base or Member Charge:

Size of Installation	Monthly DG Facility Charge
For all DG Facilities with an Installed Capacity or Nameplate Rating of less than 50 kW	\$10 per month per facility
For all DG Facilities with an Installed Capacity or Nameplate Rating of 50 kW or more, up to less than 1 MW	\$100 per month per facility

343.2 Purchases From a QF

During each billing period, for power produced in excess of on-site requirements, as metered by the Cooperative billing meter, the Cooperative will purchase such excess production at Avoided Cost.

343.3 Sales to a QF

During each billing period, for power supplied by the Cooperative as metered by the Cooperative billing meter, the Cooperative shall bill the Member according to the Cooperative's applicable rate schedule.

344. Refusal to Purchase.

The Cooperative may, at certain times and as operating conditions warrant, reasonably refuse to accept part or all of the output of the Producer's facility. Such refusal shall be based on system emergency constraints, special operating requirements, adverse effects of the Producer's facility on the Cooperative's system or violation by the Producer of the terms of the Agreement for Interconnection and Operation Distributed Generation Installations.

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345. Definitions.

Avoided Cost means that rate in dollars per kilowatt hours (\$/kWh) as calculated by ERCOT and published by the Public Utility Commission of Texas for the applicable calendar year setting forth the Total Load-Weighted Average for the avoided cost of energy.

Qualified Facility or Facilities (QF) has the same definition as defined in the Public Utility Regulatory Policies Act of 1978 (PURPA). Refer to CFR Title 26, Volume 4, Sec. 292.204.