

Distributed Generation Program

Availability

Distributed Generation service is available to all members of TCEC meeting the following eligibility requirements:

1. The member Distributed Generation Facility must be powered by wind, solar or biomass;
2. The member Distributed Generation Facility must have a tariffed capacity that does not exceed the Cooperative's service capacity to the member. The size of the Distributed Generation shall be no less than 1 kW and no greater than 300 kW;
3. The Distributed Generation Facility must be owned by a member of TCEC;
4. The Distributed Generation Facility must be connected on the member's side of the TCEC retail meter (no direct connection to the TCEC distribution facilities is permitted);
5. The member must operate the Distributed Generation Facility in a manner that the TCEC system is not adversely impacted with respect to reliability, quality of service, ability to serve other members, impact on distribution facilities and safety of the public.
6. The member shall be responsible for the costs of protective equipment or other facilities required by TCEC to serve the Member's load with the Distributed Generation Facility and shall be paid in advance of construction; and
7. The member shall be required to execute the Agreement for Interconnection and Parallel Operation for Distributed Generation. (Attached as Appendix A.)

Members with a Distributed Generation Facility connected prior to June 1, 2017 shall continue to be served under the existing agreement until June 1, 2029 or until service is terminated or transferred to new ownership, at which time, the provisions of this Distributed Generation Program will become applicable.

Metering

Metering installed for the service provided under this tariff shall be capable of registering and accumulating the kilowatt-hours (kWh) of electricity flowing in both directions in a billing period.

Monthly Billing

The electric energy generated by the member's Distributed Generation Facility may be used to offset the member's energy requirements at the time of generation.

The energy (kWh) supplied by the Cooperative to the member during the billing period, shall be billed by the Cooperative in accordance with the tariffs and charges under the member's Standard Tariff Schedule.

The energy (kWh) generated by the member's Distributed Generation Facility and delivered back to the Cooperative shall be credited to the member during the billing period at the Cooperative's Avoided Cost. The Cooperative's Avoided Cost shall be defined as the monthly locational marginal price of energy for the regional location provided by TCEC's wholesale power provider.

Power Cost Adjustment – PCA-1

The tariffs (except Tariffs 45, 46, 47, [48](#), and any special agreements) shall be increased or decreased by the amount, in cents or fraction thereof, by which the average cost of power per kilowatt-hour (kWh) purchased was paid to wholesale power suppliers during the previous month exceeds or is less than 5.2594 cents per kWh. The power cost adjustment (PCA) shall be calculated in accordance with the following formula:

Formula PCA = A x (1/ (1 - B)) + C

Where:

- PCA = Power cost adjustment to be made per kilowatt-hour (kWh) billed.
- A = The amount (in cents, or fraction thereof) by which the average cost of wholesale power per kWh purchased (excluding accounts on Industrial Power Service tariffs and any special contracts) paid to wholesale power suppliers during the previous month preceding the end of the billing period for which kilowatt-hour (kWh) usage billed exceeds or is less than 5.2594 cents per kilowatt-hour (kWh).
- B = The twelve (12) month average percentage of power losses expressed decimally (excluding accounts on Industrial Power Service tariffs and any special contracts) ending with the previous month.
- C = An amount in cents per kilowatt-hour (kWh) sold, or fraction thereof, which reflects the periodic over or under recovery of power cost adjustment revenue from previous periods that TCEC is entitled to recover under this section of the Tariffs.

Circumstances beyond the control of TCEC may arise that prevent the calculation of the adjustment for the cost of purchased power before the first billing of the month. In those instances, TCEC shall use the adjustment from the prior month’s cost of purchased power for all of the current month’s billings. A calculation shall be made the following month to the adjustment for the cost of purchased power to correct the previous month’s billings.

Power Cost Adjustment – PCA-2

PCA-2 will be the Wholesale Power Cost (including energy, demand, ancillary services, transmission service and any other costs) adjusted for the applicable losses to serve the load.

PCA-2 is only used on Tariffs, 47, 48 and 91, and any special agreements.