

TRI-COUNTY RURAL ELECTRIC COOPERATIVE, INC.

Policy Bulletin No. 3-17

Appendix B

**AES SERVICE RATE
FOR
MEMBER ALTERNATIVE ENERGY PRODUCTION**

AVAILABILITY

Available in all territories served by the Cooperative. Subject to the established rules and regulations of the Cooperative, the aggregate capacity of members' alternative energy systems (AES) may be limited by the Cooperative's system, substation area and/or circuit. Availability of the AES Service rate is contingent upon the availability of the Pennsylvania Rural Electric Cooperative Association's (PREA's) Renewable Energy Assistance Program (REAP) funding.

Upon exhaustion of REAP funding to the Cooperative specific to each individual AES, for any AES interconnection on or after August 25, 2014, the member's AES shall only be eligible to receive reimbursement for Tri-County's avoided cost of generation for that AES for each KWh exported to the cooperative on a monthly basis.

APPLICABILITY

Applicable to all members of the Cooperative. The member's AES must: (1) be owned, operated, leased, or otherwise controlled by the member; (2) be operated in parallel with the Cooperative's distribution system; (3) have a nameplate capacity no greater than 50 kilowatts (kW) for residential service and up to 200 kilowatts (kW) for all other rate classes; and (4) be primarily intended to offset part or all of a member's electric generation requirements.

Member AESs that qualify under this Service Rate are: solar photovoltaic or other solar energy, solar thermal energy, wind power, hydropower, biomass, and bio-digester gas and fuel cells.

The member's AES must meet or exceed the standards and requirements of the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, as well as the Cooperative's Policy on Alternative Energy Production; Safety and Interconnection Requirements for Alternative Energy Production; and local requirements, and any other applicable regulations.

The member must have executed a Power Purchase Contract with Allegheny Electric Cooperative (Allegheny) to sell excess energy produced by the member's AES to Allegheny.

TYPE OF SERVICE

60 cycles, at available secondary voltage.

Service under this rate schedule requires metering equipment that can measure the flow of electricity in both directions.

COOPERATIVE MONTHLY BILLING

The Cooperative bills the member on a monthly basis according to the applicable rate schedule. The Cooperative shall credit an AES at the full retail rate for each kilowatt-hour produced by an AES installed on the member's side of the electric revenue meter, up to a total amount of electricity used by the member during an annual period. For AESs involved in virtual meter aggregation, a credit shall be applied first to the meter through which the Cooperative supplies electricity to the distribution system, then through the remaining meters for the AESs account equally at each meter's designated rate. At the end of each annual period, Allegheny shall compensate the AES for kilowatt-hours generated by the AES over the amount of kilowatt-hours delivered by the Cooperative during the annual period at Allegheny's avoided cost of wholesale power.

METER AGGREGATION

The combination of readings from, and billing for, all meters regardless of rate class on properties owned or leased and operated by a member operating an AES within the Cooperative's service territory whether the aggregation is completed through physical or virtual meter aggregation within two miles of the member's property.

TERMS OF PAYMENT

The monthly charges for service are net. The gross charges for service are five percent (5%) higher. In the event the current bill is not paid in full by the due date of each month in which the bill is rendered, the gross amount shall become due.