

MIDDLE GEORGIA ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 505

Date: May 24, 2022

INTERCONNECTION OF DISTRIBUTED GENERATION RESOURCES

I. OBJECTIVE

This Interconnection of Distributed Generation Resources Policy establishes the terms and conditions for the interconnection of Distributed Generation Facilities (“DG Facilities”) as defined in Exhibit A hereto, including both generators and energy storage technologies, up to 10 MVA at the point of common coupling and for providing net energy metering services for those facilities that qualify for net energy metering. This Policy is enacted to meet the requirements for:

1. Qualifying Facilities as set forth in Federal Energy Regulatory Rules promulgated under Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (“PURPA”)
2. Interconnection of Distributed Resources set forth in the Code of Federal Regulations under 7CFR Part 1730 Subpart C as required by the Rural Utilities Service (RUS) (7 CFR § 1730.60 through § 1730.66)
3. The Georgia Cogeneration and Distributed Generation Act of 2001 set forth in the Official Code of Georgia under Title 46, Chapter 3, Article 1, Part 3 (O.C.G.A § 46-3-50 through § 46-3-56)

II. CONTENT

A. General

1. This Interconnection of Distributed Generation Resources Policy (“Policy”) and the Middle Georgia EMC Distributed Generation Interconnection Procedure For Parallel Generation Equipment (“Exhibit A”) shall be readily available to the public. The processing of a member’s request for interconnection shall include a standard application, application process, application fees, and agreement.
2. All costs to be recovered from the applicant regarding the application process or the actual interconnection and the process to determine the costs are to be clearly explained to the applicant and authorized by the applicant prior to the Cooperative incurring these costs. The Cooperative will require separate non-refundable application fees

sufficient to ensure serious intent by the applicant prior to proceeding either with the application or actual interconnection process.

B. Technical Requirements

1. The Cooperative's technical requirements and application of those requirements shall be consistent with the following standards:
 - a. IEEE Standard 1547 - Standard for Interconnecting Distributed Resources with Electric Power Systems
 - b. IEEE Standard 1547.1 - Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems
 - c. IEEE Standard 1547.2 - Application Guide for IEEE Std 1547 Standard for Interconnecting Distributed Resources with Electric Power Systems
 - d. IEEE Standard 1547.3 - Guide for Monitoring, Information Exchange, and Control of Distributed Resources Interconnected with Electric Power Systems
 - e. Other applicable IEEE Series 1547 standards, and subsequent issuances and revisions thereof
 - f. IEEE Standard 519 - Recommended Practice on Monitoring Electric Power Quality
 - g. IEEE Standard C2 - National Electrical Safety Code ("NESC")
 - h. ANSI C84.1 - American National Standard for Electrical Power Systems and Equipment-Voltage Ratings (60 Hertz)
 - i. NFPA 70 - National Electrical Code ("NEC"), including, but not limited to NEC Article 705-Interconnected Electric Power Production Sources
2. All DG Facilities interconnected with the Cooperative's distribution system shall include appropriate electric power system disconnect facilities, as determined by the Cooperative, which shall include a lockable disconnect and a visible open, that are readily accessible to and operable by authorized personnel at all times.
3. The Cooperative shall have access to all DG Facilities at all times (including access during normal business hours and for emergency situations).

4. The Cooperative may require additional technical requirements if such requirements are necessary to ensure:
 - a. The safety of the public
 - b. The safety of Cooperative personnel or their agents
 - c. The prevention of negative effects on the service quality and reliability of other members of the Cooperative
 - d. The protection of Cooperative facilities from damage, failure, or inefficient operation
 - e. Compliance with prudent electric utility practice

C. Member Generator Obligations

1. Any Member Generator who owns and/or operates a DG Facility connected in any manner to the Cooperative's distribution system, either through a direct connection to the Cooperative's facilities or by connection to the Member Generator's own electrical wiring will be considered a "Responsible Party", and may designate others to act on their behalf as a Responsible Party (such designation subject to approval by the Cooperative). The Responsible Party shall be the owner, operator or any other person or entity that is accountable to the Cooperative under this Policy.
2. A Responsible Party must agree to maintain appropriate liability insurance as determined by the Cooperative and outlined in this Policy. Liability insurance requirements shall be consistent with the limitations imposed by state or federal law.
3. A Responsible Party must be responsible for the DG Facilities compliance with all national, state, and local government requirements and electric utility standards for the safety of the public and personnel responsible for operations, maintenance and repair of the Cooperative's distribution system.
4. A Responsible Party must be responsible for the safe and effective operation and maintenance of the DG Facility. The safety of the general public, the Cooperative's employees and equipment shall in no way be reduced or impaired as a result of the interconnection with a DG Facility.

5. A Responsible Party must be responsible for the DG Facility's compliance with all technical requirements as specified by the Cooperative, including compliance with all relevant IEEE and ANSI standards. Compliance shall include the elimination of any manner of negative effects on the safety, power quality or reliability of both the Cooperative's electric system and the electric service to other members of the Cooperative.
6. The DG Facility must not cause significant degradation of the safety, power quality, or reliability of the Cooperative's electric power system or other electric power systems interconnected to the Cooperative's power system.
7. Only Responsible Parties may receive approval from the Cooperative for interconnection and the Responsible Party must demonstrate to the Cooperative's satisfaction, that the DG Facility will be capably developed, constructed, operated, maintained, and repaired.

D. Categories of Distributed Generation

1. DG Facilities shall be categorized in accordance with the requirements of PURPA, RUS, and O.C.G.A.
2. For the purposes of this Policy, DG Facilities shall be assigned to one of the following categories:
 - a. Small DG Facilities are distributed generation facilities, as defined in O.C.G.A. § 46-3-52, paragraph 5, that:
 - i. have a peak generating capacity of not more than 10 kW for a residential application and 100 kW for a commercial application
 - ii. are a solar photo voltaic system, fuel cell, or wind turbine
 - iii. are limited to a first-come, first-served basis until the cumulative generating capacity of all renewable energy sources equals 0.2 percent of the Cooperative's annual peak demand in the previous year. Any Small DG Facility that is connected after the cumulative generating capacity of all renewable sources equals 0.2 percent of the Cooperative's annual peak demand in the previous year shall be categorized as an Intermediate DG Facility
 - b. Intermediate DG Facilities are distributed generation facilities with a peak generating capacity up to 3 MW that are not Small DG Facilities

- c. Large DG Facilities are distributed generation facilities with a peak generating capacity greater than 3 MW and up to 10 MVA

DG Facilities that have a peak generating capacity of not more than 10 kW for a residential application and 100 kW for a commercial application, but are not a solar voltaic system, fuel cell, or wind turbine, may be classified as a Small DG Facility only when approved by the Cooperative's Board of Directors.

3. Qualifying Facilities ("QF") are distributed generation facilities that meet the definition of a QF as defined by PURPA. Generally, a QF is defined by PURPA as either a "small power production facility" with less than 80 MW of capacity whose primary energy source is renewable (hydro, wind or solar), biomass, waste, or geothermal resources, or a "cogeneration facility" that sequentially produces electricity and another form of useful thermal energy (such as heat or steam) in a way that is more efficient than the separate production of both forms of energy.

For the application under this Policy, a QF shall be categorized as a Small, Intermediate, or Large DG Facility, as they are defined above.

All DG Facilities greater than 20 KW must be three phase, 60 hertz at 120/ 208 or 277/ 480 volts secondary and the consumers load must be able to absorb the three phase load produced by the DG Facilities.

E. Metering, Sales and Purchases

1. Metering of Small DG Facilities

Small DG Facilities shall be net metered

2. Metering of Intermediate DG Facilities

Intermediate DG Facilities may be net metered at the sole discretion of the Cooperative, and only if net metering does not produce a material under-recovery of the Cooperative's distribution facility investment under the Member Generator's current retail rate. Where such under-recovery may occur, net metering may be utilized subject to implementation of a rate that will recover the Cooperative's distribution facilities investment and wholesale power costs in a manner consistent with other similarly situated members of the Cooperative without DG Facilities.

3. Metering of Large DG Facilities

Large DG Facilities shall not be net metered.

4. Sales, and Purchases for Net Metering Members

- a. For DG Facilities that are net metered, sales of energy to those DG Facilities shall be in accordance with the Cooperative's applicable approved rates for similar facilities that have no distributed generation.
- b. Purchases by the Cooperative of energy delivered to the Cooperative's system from DG Facilities shall be at the Cooperative's avoided power cost unless otherwise required by regulation, and must be approved by the Cooperative's Board of Directors.
- c. The Cooperative will use either a single-directional or bi-directional meter depending upon how the DG Facility is connected to the Cooperative's distribution system. If the DG Facility is connected to the Cooperative's distribution system on the net-metering Member's side of the retail service meter, the Cooperative will use a bi-directional meter for net metering. If the DG Facility is connected to the Cooperative's distribution system on the Cooperative's side of the retail service meter, the Cooperative will install an additional single directional or bi-directional meter for net metering. The Cooperative shall specify whether single direction or bi-direction metering is required.

When the electricity generated by the net metering Member's DG Facility and delivered to the Cooperative's distribution system exceeds the electricity supplied by the Cooperative during the billing period, the net metering Member shall receive a credit for the excess net energy pursuant to the applicable net metering schedule. When the electricity supplied by the Cooperative exceeds the electricity delivered by the net-metering Member during the billing period, the net-metering Member shall pay the Cooperative for such energy under the applicable retail rate schedule and the applicable net-metering schedule. The Cooperative will review the net-metering Member's account at least annually and will pay to the net-metering Member any credit balance then existing in that account.

5. Sales and Purchases for other than Net Metering Members

- a. Where the Cooperative does not provide net metering for a distributed generation facility, the Cooperative will use either single-directional or bi-directional meter(s) as appropriate to properly record the amount of energy delivered to as well as the amount of energy received from the Cooperative's distribution

system by the Member Generator's distributed generation facility.

- b. Where the distributed generation facility may receive energy from the Cooperative's distribution system in excess of the facility's generation output, the Cooperative will install a bi-directional meter to record the amount of energy received by the Cooperative and the amount of energy delivered to the Member Generator.
- c. When the electricity supplied by the Cooperative exceeds the electricity supplied by the Member Generator, the Member Generator shall pay the Cooperative for such energy at such cost as is agreed to between the Cooperative and Member Generator in an executed written Agreement For Interconnection And Parallel Operation Of Member Generation with the Cooperative. When the electricity supplied by the Member Generator exceeds the electricity supplied by the Cooperative, the Cooperative shall pay the Member Generator for such energy at the Cooperative's avoided energy cost, or such other cost as is agreed to between the Cooperative and Member Generator.

F. Charges for Interconnection and Metering

The Member Generator shall be responsible for all costs of installing, operating and maintaining protective equipment and/or electrical facilities required to interconnect with the Cooperative's distribution system.

The Cooperative shall recover recurring costs after initial installation through the Cooperative's Net Energy Metering Schedule NEM-1 or through other schedules, as appropriate.

G. Standards for Installation, Operation, and Maintenance

The Member requesting to interconnect a DG Facility to the Cooperative's distribution system is responsible for and must follow, in addition to all provisions of this Policy, all other Cooperative Member policies, procedures, service rules and regulations and bylaws.

H. Liability and Insurance Requirements

The Cooperative shall require the Member Generator to obtain adequate liability insurance to minimize financial risk to the Cooperative. The liability insurance requirement shall be consistent with state and federal law. In addition, the Member Generator shall assume full responsibility for electric energy furnished by the Member Generator and shall indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death, and damages to property resulting therefrom.

III. RECONSIDERATION AND UPDATES

This Interconnection of Distributed Generation Resources Policy shall be reconsidered and updated every five years or more frequently as circumstances warrant.

IV. RESPONSIBILITY

The President/CEO is responsible for seeing that the provisions of this Policy are carried out.

Any policy in conflict herewith is hereby repealed.

Don Wood, Chairman

Approved: May 24, 2022