

**Hamre, John G.**

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**From:** Hamre, John G.  
**Sent:** Friday, February 17, 2012 2:00 PM  
**To:** Hamre, John G.  
**Subject:** FW: Small Power Production & Cogeneration Rates  
**Attachments:** REDLINE\_ND\_1201\_Small Power Producer Rider Occasional Delivery Energy2-17-12.pdf;  
FINAL\_ND\_1201\_Small Power Producer Rider Occasional Delivery Energy2-17-12.pdf

**From:** [DOPatz@otpc.com](mailto:DOPatz@otpc.com) [<mailto:DOPatz@otpc.com>]  
**Sent:** Friday, February 17, 2012 1:34 PM  
**To:** Marohl, Christopher A.  
**Cc:** [DPrazak@otpc.com](mailto:DPrazak@otpc.com)  
**Subject:** RE: Small Power Production & Cogeneration Rates

Good Afternoon, Chris.

As per your conversation with Dave Prazak on 12/17/12, I have attached a final and a redline version of the revised rate schedule. Please let me or Dave know if you have any questions.

Thank you,

Debbie



**SMALL POWER PRODUCER RIDER  
OCCASIONAL DELIVERY ENERGY SERVICE  
(Commonly identified as Net Energy Billing)**

Base Avoided Costs Code 50-9020  
Base Avoided Costs plus Renewable Energy Credit Code 50-9021

**AVAILABILITY:** Available to any qualifying facility not exceeding 100 kW of generating capacity.

**METERING CHARGE:** \$1.40 per month

**PAYMENT SCHEDULES:** Base Avoided Costs: 3.223¢ per kWh **R**  
Base Avoided Costs plus Renewable Energy Credit: 3.314¢ per kWh **R**

**SPECIAL CONDITIONS OF SERVICE:** The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

**MANDATORY AND VOLUNTARY RIDERS:** The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**TERMS AND CONDITIONS:**

The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
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2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of the generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.

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13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
  14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
  15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
  16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.91/MWh (\$0.00091/kWh), as shown in the payment schedule.

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Base Avoided Costs Code 50-9020  
Base Avoided Costs plus Renewable Energy Credit Code 50-9021

**AVAILABILITY:** Available to any qualifying facility not exceeding 100 kW of generating capacity.

**METERING CHARGE:** \$1.40 per month

**PAYMENT SCHEDULES:** Base Avoided Costs: ~~3.496176223¢~~ per kWh **R**  
Base Avoided Costs plus Renewable Energy Credit: ~~3.296267314¢~~ per kWh **R**

**SPECIAL CONDITIONS OF SERVICE:** The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

**MANDATORY AND VOLUNTARY RIDERS:** The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

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1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION

Case No. PU-10-674  
Approved by order dated ~~February 9, 2011~~

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and after ~~February~~ March 1, 2011 ~~2012~~, in  
North Dakota

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Vice President, Administration



2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
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7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
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9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may

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include, among other provisions, a minimum term of service.

- 13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
- 14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
- 15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
- 16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of ~~\$1.000~~.91/MWh (~~\$0.0010000091~~/kWh), as shown in the payment schedule.

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