

STANDARD CONTRACT RIDER NO. 16
EXCESS DISTRIBUTED GENERATION (EDG)
(RS, UW, CW, SS, MD, SH, OES, SL, PL, PH, HL, EVX, and CSC)

AVAILABILITY:

Available to all Customers in good standing who own and operate an eligible resource with Approved Electrical Connection. Eligible customers may enroll in this rider beginning July 1, 2022. Customers served under this rider must also take service from the Company under the otherwise applicable standard service tariff.

It is the Customer's responsibility to request and provide relevant information to the Company for application of this Rider.

ELIGIBILITY AND TERMS AND CONDITIONS:

Resources eligible for Rider 16 EDG must initially and continuously meet the following requirements in accordance with IC 8-1-40-3:

- 1) Customer's generator nameplate capacity must be the lesser of:
 - a. not more than one (1) MW; or
 - b. Customer's average annual consumption of electricity on the premises.
- 2) Generator must be owned and operated by Customer and must be located on Customer's Premises.
- 3) Generator is intended and sized primarily to offset all or part of Customer's own electrical load requirements.
- 4) Generator must be interconnected and operated in parallel with Company's distribution system in accordance with the Company's interconnection standards.
- 5) Generator must not be used exclusively for emergency back-up purposes.
- 6) Generator shall not be a net metering facility operating under Rider 9 (net metering).

Facility nameplate capacity is defined as the full load continuous rating of the generator under specified conditions designated by the manufacturer. For an inverter-based generator, facility capacity is defined as the lower value of the inverter or aggregate output of all inverters' nameplate capacity in the facility.

Customer-owned Generator equipment and installations must comply with the Company's technical requirements described in this tariff.

Customer shall provide the Company proof of qualified installation of the Generator system. Certification by a licensed electrician shall constitute acceptable proof.

Customer shall install, operate, and maintain the Generator system facility in accordance with the manufacturer's suggested practices for safe, efficient, and reliable operation in parallel with Company's system.

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Customer shall agree that, upon Company request, Company shall have reasonable access to Customer's metering, control, and protective equipment. In the event of an emergency, hazard, or similar need, Customer shall agree that Company shall have immediate access to Customer's metering, control, and protective equipment.

The Company may, at its own discretion, isolate any distributed generation facility if the Company has reason to believe that continued interconnection with the facility creates or contributes to a system emergency. System emergencies causing discontinuance of interconnection shall be subject to verification at the Commission's discretion.

The Company retains the right to periodically verify adherence to these requirements, including the right to perform reasonable on-site inspections to verify the proper installation and continuing safe operation of the distributed generation facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the distributed generation customer.

Lack of adherence to the requirements revokes the applicability of this Rider.

APPROVED ELECTRICAL CONNECTION:

Installation of the system will conform to the most current Indiana Electrical Code, and IEEE Std 1547. Inverter-based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as most recently revised, are acceptable as the testing basis for certification to IEEE Std 1547 requirements.

Customer Generator system shall comply with the applicable requirements of 170 IAC 4-4.3.

Customer owning and operating a Generator system shall provide proof of liability insurance providing coverage against risks for which there is a reasonable likelihood of occurrence, as provided in 170 IAC 4-4.3-10. This coverage must be maintained as long as Customer is interconnected with Company's distribution system. Customer must submit evidence of such insurance to the Company with the Interconnection Application. Company's receipt of evidence of liability insurance does not imply an endorsement of the terms and conditions of the coverage.

Conformance with the codes and standards does not convey any liability to the Company for damages or injuries arising from the installation or operation of the system.

As provided in 170 IAC 4-4.3-10, Company and Customer shall indemnify and hold each other harmless from and against all claims, liability, damages, and expenses, including attorney's fees, based on any injury to any person, including loss of life or damage to any property, including loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with an act or omission by the other party or its employees, agents, representatives, successors, or assigns in the construction, ownership, operation, or maintenance of the party's facilities.

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Approved Electrical Connection requires execution of Interconnection Agreement by Customer and Company before the Generator system may be interconnected with the Company's system.

Any characteristic of Customer's generator that degrades or otherwise compromises the quality of service provided to other Company Customers will not be permitted. In Company's determination, all generators shall be installed in compliance with corresponding service connection and IEEE Standard 519.

These technical requirements are supplementary to and do not intentionally conflict with or supersede applicable laws, ordinances, rules, or regulations established by Federal (including all applicable safety and performance standards of the National Electrical Code), State, and other governmental bodies. Customer is responsible for conforming to all applicable laws, ordinances, rules, or regulations established by Federal, State, and other governmental bodies.

EXCESS DISTRIBUTED GENERATION RATE:

Excess Distributed Generation (DG) rate is the average marginal price of energy paid by the Company during the most recent calendar year, multiplied by one and twenty-five hundredths (1.25), in accordance with IC 8-1-40-17.

Excess DG rate:

5.4325¢ per KWH recorded on meter Channel 2.

Company will update this rate annually by compliance filing with the Commission on or before March 1.

The amounts credited to Customers for procured excess distributed generation shall be recognized by Company in fuel adjustment proceedings under IC 8-1-2-42.

METERING:

The Company will, at its expense, install metering capable of measuring Excess Distributed Generation as defined in IC 8-1-40-5.

BILLING:

The supplying of and billing for service under this Rider shall be governed by Company's Rules and Regulations for Electric Service under this tariff and the bill will be calculated in accordance with all appropriate tariff provisions and rate schedules.

Net inflow means the separate meter channel measurement of energy supplied by Company to Customer as recorded on meter Channel 1. Net outflow means the separate meter channel measurement of energy being produced by Customer Generator in excess of the electricity being used by Customer, and which is supplied back to Company as recorded on meter Channel 2. Net outflow is Excess Distributed Generation.

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For the billing month, meter will record net inflow and net outflow. Net inflow KWH for the billing period shall be billed in accordance with Customer's rate schedule. Net outflow KWH for the billing month shall be multiplied by the Excess DG rate to determine the Rider EDG credit.

For each billing month, Customer shall be billed for the Minimum Charge per Month, as appropriate for the Customer's service. If the portion of the Customer's bill for the billing period for usage is in excess of the Rider EDG credit, the Rider EDG credit will be applied until the bill becomes the Minimum Charge or until the Rider EDG credit balance becomes zero.

If the portion of the Customer's bill for the billing period attributed to the Rider EDG credit exceeds the amount attributed to any charges less the Minimum Charge, the amount in excess will be accumulated in a credit to be carried forward for use in a subsequent billing period. The EDG credit balance shall be carried forward indefinitely so long as Customer elects to participate in this Rider and receives retail electric service from Company at the premises. Upon ending service as Customer at the premises, all unused credits shall be flowed through the FAC to the benefit of all Customers. EDG credit balances are not transferable to another account or service.