

# **JACKSON ELECTRIC COOPERATIVE**

## **POLICY NO. 305**

### **I. SUBJECT: Interconnected Distributed Generation (DG)**

### **II. OBJECTIVE:**

To provide guidelines and procedures for members/applicants and JEC personnel in DG systems.

### **III. POLICY CONTENT:**

#### A. Interconnection guidelines and forms

Jackson Electric Cooperative (JEC) voluntarily adheres to the technical standards found in Wisconsin Administrative Code part 119 - Rules for Interconnecting Distributed Generation Facilities. Any electrical generating system capable of back-feeding onto the electrical distribution system is required to follow the standards, as well as JEC's policies of general application concerning safety and reliability.

JEC's standard forms, Distributed Generation Application, Distributed Generation Interconnection Agreement, wiring affidavit, and system commissioning (as may be amended from time to time), must be received and approved before the interconnection of the DG system.

#### B. Net Metering Eligibility

DG systems having a nameplate AC rating under 20 kW such as wind turbines and solar electric arrays can be interconnected and net metered under the following terms and requirements. Excess generation will be paid at Dairyland Power Cooperative (DPC) avoided cost rate, consumption paid at JEC's current retail rate.

DG systems larger than 20 kW nameplate AC rating, but under 40 kW may be interconnected, but will not qualify for net metering and the entire electrical production will be purchased by JEC at the DPC avoided cost rate. Generation is not used for consumption and will be fed back to JEC's service lines.

DG systems larger than 40 kW AC nameplate rating are required to enter into a power purchase agreement with our wholesale power supplier, DPC, and will not qualify for net metering from JEC. JEC will require the DG member/applicant to make application and obtain approval for the interconnection, and give notice of their intent to deliver power to DPC.

1. The standard DG Commissioning Checklist developed by JEC (as may be amended from time to time) must be successfully conducted. JEC personnel must be present to observe and document Commissioning Testing.

2. The energy produced by the DG system must originate at the member's premises. Any DG systems owned by the same individual, organization, or affiliated organizations within a one-mile radius will be considered one system for purposes of the 20 kW net-metered capacity limit.

3. Notwithstanding compliance with the technical standards in Wisconsin Administrative Code Chapter PSC 119, electricity generated by the DG system shall not, as determined by JEC, adversely affect JEC's distribution system safety, reliability, power quality, line loading or control.

#### C. Rates

The purpose of net metering is to allow electric members to offset the energy consumption of their individual loads. The energy generated and backed by the DG system and energy supplied by JEC for use by the member shall offset each other on a kWh for kWh basis.

The interconnection and net metering of DG systems should be cost neutral for all members. Accordingly, for all qualifying DG systems, the maximum allowable net metered amount shall be no more than 100% of the monthly electric energy consumption. Any electric generation in excess of 100% of the electric consumption shall be purchased annually by JEC at the DPC avoided cost rate.

The avoided cost rate is the wholesale market value of energy on a per kilowatt-hour basis, and is provided to JEC monthly by DPC. The avoided cost rate is calculated by averaging DPC's avoided wholesale cost over all of the hours in the month in which the energy is generated, calculated as the average over all the hours in that month. This rate will be applied to any purchase by JEC of electric generation in excess of consumption, calculated on a monthly basis and paid out annually.

The rates for sales and purchase of electricity may change over time due to JEC-approved rate changes. Sales and purchase shall be made under the rates in effect for the month in which such energy is sold or generated.

#### D. Engineering Fees

Any and all engineering fees incurred by JEC related to the connection of a DG system shall be paid for by the DG system member/applicant. JEC reserves the right to request an engineering study whenever it determines,

in its sole discretion, that the connection of a DG system may affect the integrity or operation of JEC distribution system. The system member/applicant will be notified in advance for the need of such an engineering study.

#### E. Metering Requirements

The DG system member/applicant is responsible for the installation of all metering facilities and any required safety disconnects or other equipment as called for in Wisconsin Administrative Code ch. PSC 119, or by JEC. All net-metered, interconnected DG systems under 20 kW and all DG systems larger than 20 kW, but less than 40 kW, shall be directly connected to the distribution system. There shall be two kWh meters (refer to Net Metering Schematic); one to track kWhs fed onto the distribution system by the DG system and the other to track kWhs consumed at the location. All monthly metering and service fees will be in accordance with the most recent applicable rate schedules.

#### F. Governance

1. All interconnected DG systems are governed by the same policies and procedures in place for the general membership as set forth by JEC's Board of Directors.
  
2. In the event the billing meter has been removed or disconnected, the DG system shall revert to the rate provided in Schedule DG, as may be amended from time to time.

#### G. Aggregation of Accounts

1. Conditions. Effective May 25, 2016, for the purpose of net billing and calculations of excess generation, kWh usage at multiple accounts billed to a single individual or entity member may be aggregated, provided that:
  - (i) the member name on each service account is identical to the member name listed in the JEC interconnection agreement associated with the offsetting DG;
  - (ii) the maximum net metered amount shall be no more than 100% of the monthly electric energy charge of the aggregated accounts; and
  - (iii) the member pays a monthly Aggregation Fee imposed by the Board of Directors pursuant to sub. (2) below, in addition to the applicable facility charge, for any service account where kWh usage is offset by DG at a different location. A maximum of 20 kW of DG nameplate capacity shall be eligible for aggregated net metering under this paragraph. A controlled heat meter at the same account location as the interconnected DG system may be net metered at the heat meter rate.

2. Aggregation Fee. The Board of Directors, in its discretion, may impose a monthly Aggregation Fee to recover the proportion of JEC's fixed costs reflected in the energy rate that are not recovered under net metering. The Aggregation Fee is computed as the allocated share of JEC's actual fixed costs on a per-account basis, less the monthly facility charge.

#### H. Distribution Facilities Expansion/Construction

The member/applicant is required to pay 100% of the cost incurred by JEC to construct new facilities or upgrade present facilities to facilitate the installation of a DG system.

#### I. Insurance Coverage

The DG system member/applicant shall maintain liability insurance coverage as required by JEC's Distributed Generation Interconnection Agreement.

#### J. Site Assessments

Member/applicant for interconnection of a DG system are strongly urged to have a site assessment completed by an independent certified renewable energy site assessor before signing a contract for a renewable energy system to assure the performance of the proposed renewable energy system.

This policy is subject to revision at any time and may change without notice.

#### **IV. RESPONSIBILITY:**

The General Manager/CEO shall have the responsibility for enforcing this policy.

#### **V. TERMINATION OR REVIEW DATE:**

This policy shall be reviewed not less than two years after the last revision or review date.

#### **VI. REVIEWED:**

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General Manager/CEO – Jackson Electric Cooperative

**VII. APPROVED:**

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President - Jackson Electric Cooperative

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Secretary - Jackson Electric Cooperative

Approved: April 27, 2011

Amended: May 30, 2012; August 28, 2013; January 29, 2014; June 2, 2014; May 25, 2016; June 4, 2018 (added Reviewed signature block); May 27, 2020; May 26, 2021 (changed to annual)

Reviewed:

Jackson Electric Cooperative is an equal opportunity provider and employer.