

DISTRIBUTED GENERATION RIDER DG

AVAILABILITY

Customers requesting interconnection and parallel operation of Distributed Generation (“DG”) shall complete the Application for Interconnection and Parallel Operation of Distributed Generation (“Application”) with the KPUB System contained in these Tariffs. For purposes of this rate schedule, Distributed Generation refers to an electrical generating facility located at a Customer’s point of delivery of ten megawatts (10 MW) or less and connected to the KPUB distribution system at a standard available voltage less than or equal to 60 kilovolts (kV) and 60 Hertz alternating current.

AGREEMENT

Upon determination by KPUB that the Customer’s facility is consistent with the safe and reliable operation of the KPUB’s distribution system, KPUB and Customer shall enter into an Agreement for Interconnection and Parallel Operation of Distributed Generation (“Interconnection Agreement”) contained in this Tariff, which sets forth the contractual conditions under which KPUB and Customer agree that one or more facilities may be interconnected with KPUB’s distribution system.

DISTRIBUTION SERVICE TO DG

Distribution service provided to a Customer operating Distributed Generation in parallel with the KPUB’s distribution system is available pursuant to this Tariff and agreements for such distribution service.

SPECIAL CONDITIONS

1. **Pre-Interconnection studies** - KPUB may perform pre-interconnection studies, which shall include service study, coordination study, and utility system impact study, as needed and determined in the sole discretion of KPUB. In instances where such studies are deemed necessary, the scope of such studies shall be based on the characteristics of the particular distributed generation facility to be interconnected and the KPUB’s distribution system at the specific proposed location. KPUB may charge Customer fees for Pre Interconnection Studies that recover the costs of performing such studies. Any modifications or additions to KPUB’s Electric System identified through the pre-interconnection study as required for the safe and reliable interconnection of Customer’s facility shall be solely at the Customer’s expense. Customer shall not acquire any ownership in such modifications or additions to KPUB’s Electric System.
2. **Technical Requirements** - Customer’s installation must comply with the technical requirements and procedures set forth in The Public Utility Commission of Texas Substantive Rule 25.212 for safe and effective connection and operation of Distributed Generation, which describes typical interconnection requirements. KPUB may require Customer to install and use more sophisticated protective devices and operating schemes when the DG facility is exporting power to KPUB’s system or when otherwise required due to specific interconnection location and condition.
3. **Disconnection and reconnection** - KPUB may disconnect a distributed generation unit from the KPUB system under the following conditions:
 - 1) **Expiration or termination of Interconnection Agreement** - The Interconnection Agreement specifies the effective term and termination rights of KPUB and Customer.

Upon expiration or termination of the Interconnection Agreement with a Customer, in accordance with the terms of the agreement, KPUB may disconnect Customer’s facilities.

- 2) **Non-compliance with the Technical Requirements** - KPUB may disconnect a distributed generation facility if the facility is not in compliance with the Technical Requirements specified herein. Within two business days from the time the Customer notifies KPUB that the facility has been restored to compliance with the Technical Requirements, KPUB shall have an inspector verify such compliance. Upon such verification, the Customer in coordination with KPUB may reconnect the facility.
- 3) **System emergency** - KPUB may temporarily disconnect a Customer’s facility without prior written notice in cases where continued interconnection will endanger persons or property. During the forced outage of KPUB’s system, KPUB shall have the right to temporarily disconnect a Customer’s facility to make immediate repairs on the KPUB system.
- 4) **Routine maintenance, repairs, and modification** - KPUB may disconnect a Customer or a Customer’s facility with prior notice of a service interruption for routine maintenance, repairs, and KPUB system modifications. KPUB shall reconnect the Customer as quickly as reasonably possible following any such service interruption.
- 5) **Lack of approved Application and Interconnection Agreement** - In order to interconnect distributed generation to the KPUB system, a Customer must first submit to KPUB an Application for interconnection and parallel operation with the KPUB system and execute an Interconnection Agreement. KPUB may refuse to connect or may disconnect the Customer’s facility if such application has not been received and approved and an Interconnection Agreement executed.

MONTHLY RATE

- A. If the Customer’s DG requires the installation of an additional meter, the Customer shall pay Kerrville Public Utility Board a charge to cover administrative, billing and metering cost as follows:

<i>CHARGE</i>	<i>AMOUNT (based on standard service rate schedule)</i>			
	Rate RS	Rate CS	Rate LCS-S	Rate LCS-P
CUSTOMER CHARGE: Meter, Meter Reading, and Billing Charge	\$10.25	\$22.00	\$180.00	\$180.00

- B. Kerrville Public Utility Board shall pay Customer for all energy received from Customer as follows:

<i>CHARGE</i>	<i>AMOUNT (based on standard service rate schedule)</i>			
	Rate RS	Rate CS	Rate LCS-S	Rate LCS-P
Energy (per all kWh received)	\$0.04060	\$0.04228	\$0.02971	\$0.02720

Plus an amount calculated in accordance with Rider PCAF.