



Fergus Falls, Minnesota

**SMALL POWER PRODUCER RIDER
(Simultaneous Purchase and Sale Billing Rate)**

DESCRIPTION	RATE CODE
Firm Power	M981
Non-Firm Power	M984
Wind Renewable Energy Credit	M991
Solar Renewable Energy Credit – 41 kW to 1,000 kW	M992
Solar Renewable Energy Credit – Less than or equal to 40 kW	M993
Solar Renewable Energy Credit – “Made in MN”	M994
Optional Production Meter Charge	M995
Meter Aggregation Charge	M996

RULES AND REGULATIONS: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this rider.

AVAILABILITY: This rider is available to any Qualifying Facility (QF) with generation Capacity not exceeding 1,000 kW. This rider may be available to a QF exceeding 1,000 kW subject to negotiation and completion of a contract satisfactory to the Company as described by Minn. Rule 7835.4019.

CUSTOMER CHARGE:

	Monthly
Firm Power	\$1.23
Non-Firm Power	\$1.22

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OPTIONAL PRODUCTION METER CHARGE: \$3.41 per month

METER AGGREGATION CHARGE: \$0.00 per month if option selected by Customer.

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PAYMENT SCHEDULE: For Energy delivered to the utility.

DESCRIPTION	SUMMER	WINTER
	ENERGY CREDIT	ENERGY CREDIT
Firm and Non-Firm Power	4.141¢ per kWh	4.394¢ per kWh
	CAPACITY CREDIT	CAPACITY CREDIT
Firm and Non-Firm Power	1.929¢ per kWh	1.929¢ per kWh
	REC	REC
Wind Renewable Energy Credit	0.111¢ per kWh	0.111¢ per kWh
Solar Renewable Energy Credit – 41 kW to 1,000 kW	0.300¢ per kWh	0.300¢ per kWh
Solar Renewable Energy Credit – Less than or equal to 40 kW	2.000¢ per kWh	2.000¢ per kWh

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SPECIAL CONDITIONS OF SERVICE:

1. The interconnection process and standards set forth and referenced in the Minnesota Distributed Energy Resource Interconnection Process (MN DIP) shall apply to Customers interconnecting with the Company’s facilities. The MN DIP is available upon request and at www.otpc.com.
2. The Customer will be required to sign the Uniform Statewide Contract with the Company in the form prescribed by Minn. Rule 7835.9910.
3. The Customer may also be required to execute the Company’s Standard Interconnection Agreement and be responsible for interconnection costs authorized by law.
4. If the QF does not meet the 65% on-peak Capacity requirement in any month, the compensation will be the Energy portion only.

AGGREGATION OF METERS: The Company will aggregate for billing purposes a Customer’s designated distributed generation bi-directional Meter with one or more aggregated retail Meters if a Customer requests that it do so and the following conditions are satisfied:

1. The Meters must be located on contiguous property owned by the Customer requesting the aggregation.
2. The Account(s) associated with the Meters must be in the name of the same Customer.



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- 3. The total of all aggregated Meters must be subject in the aggregate to the size limitation under the single Rate Code chosen by the Customer applicable to all of the aggregated Meters. C
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- 4. The total of all aggregated Meters is subject in the aggregate to the Individual System Capacity Limits. C

As the term is used here, “contiguous property” means property owned or leased by the Customer sharing a common border, without regard to interruptions in contiguity caused by easements, public thoroughfares, transportation rights-of-way, or Company rights-of-way. The Company must comply with a request by a Customer-Generator to aggregate additional Meters within 90 days. The specific Meters must be identified at the time of the request. In the event that more than one Meter is identified, the Customer must designate the rank order for the aggregated Meters to which the net Metered credits are to be applied. At least 60 days prior to the beginning of the next annual billing period, a Customer may amend the rank order of the aggregated Meters.

The aggregation of Meters applies only to charges that use Kilowatt-Hours as the billing determinant. All other charges applicable to each Meter Account shall be billed to the Customer. The Company will first apply the Kilowatt-Hour credit to the charges for the designated Meter and then to the charges for the aggregated Meters in the rank order specified by the Customer.

DEFINITIONS:

Firm Power: Energy delivered by the Qualifying Facility to the utility with at least a 65 percent on-peak Capacity Factor in the month.

Capacity Factor: The number of Kilowatt-Hours delivered during a period divided by the product of (the maximum one hour delivered Capacity in Kilowatts in the period) times (the number of hours in the period). The Summer On-Peak period is 8:00 a.m. to 10:00 p.m. Monday through Friday, June 1 through September 30, and the Winter On-Peak period is 7:00 a.m. to 10:00 p.m. Monday through Friday, October 1 through May 31. N
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Qualifying Facility (QF): A cogeneration or small power production facility which satisfies the conditions established in Code of Federal Regulations, title 18, part 292.

Renewable Energy Credits (REC): Tradable, non-tangible Energy commodities in the United States that represent proof that 1 Megawatt-hour (MWh) of electricity was generated from an eligible renewable Energy resource (renewable electricity). C

Solar Renewable Energy Credits (SRECs): RECs that are specifically generated by solar Energy. C



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Standard Interconnection Agreement: An interconnection agreement under the Minnesota Interconnection Process for Distributed Generation Systems for applications submitted prior to June 17, 2019 and deemed complete within 60 days, or an Interconnection Agreement as defined in the MN DIP for interconnection applications submitted on or after June 17, 2019. The Company's Standard Interconnection Agreement is available upon request or at www.otpco.com.

TERMS AND CONDITIONS: The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The Customer is required to follow the Company's interconnection process (the MN DIP). Prior to installation, Customers will provide the Company information required by MN DIP, concerning the Customer's Generator and related equipment for the Company's review. By approving the Customer's connection to the Company's system, the Company makes no warranties, expressed or implied, as to the safety or fitness of the Customer's Generator and equipment. Additionally, the following terms and conditions describe these precautions and shall be followed on all Customer-owned QF. Minn. Rule 7835.2100, subp. 1, subp. 2, and subp. 3, set standards for compliance, interconnection, and generation systems.

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1. The Customer will be compensated monthly for all Energy received from the QF less the Customer Charge and Meter Aggregation Charge, if applicable. The schedule for these payments is subject to annual review.
2. If the QF 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. A QF must have a generation Capacity of at least 30 kW, not to exceed the parameters of this rate schedule, to qualify for wheeling by the Company of the QF output. In the event that the QF desires, and qualifies for, wheeling by the Company of the QF output, arrangements will be made subject to special provisions to be determined by all utilities involved. This also applies to QF's outside the Company's service territory.
4. A Bi-Directional and Production Meter will be furnished, owned and maintained by the Company to measure for QF billing purposes and Energy production. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional charge will be applied.



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5. The QF shall make provisions for the installation of Company owned on-site Metering. All Energy received from and delivered to the Company as well as QF production shall be Metered.
6. Power and Energy purchased by the QF from the Company shall be billed under the available retail rates for the purchase of electricity.
7. The Customer shall execute the Uniform Statewide Contract (electric service contract) with the Company in the form prescribed by Minn. Rule 7835.9910, which may include, among other provisions, a minimum term of service. Before the Customer signs the Uniform Statewide Contract the Company shall provide the Customer a copy of or link to current interconnection standards (the MN DIP) in accordance with Minn. Rule 7835.4750.
8. Any existing contract executed between a utility and a QF with installed Capacity of less than 40 kW remains in force until terminated by mutual agreement of the parties or as otherwise specified in the contract.
9. The Customer owns all RECs unless other ownership is expressly provided for by a contract between a Customer and the Company, or state law, rule or specific Commission Order specifying a different outcome. Any credits sold will be transferred to the Company and the Generator will be compensated at Otter Tail’s most recent transaction price of RECs, as shown in the payment schedule. If the Company has not purchased or sold RECs or SRECs within most recent 3-year period, the Company will obtain pricing quotes and compensate the Generator at the mid-range of the quotes.

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