

**RIDER 678**  
**PURCHASES FROM COGENERATION AND SMALL POWER PRODUCTION FACILITIES**

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**TO WHOM AVAILABLE**

Available to cogeneration and/or small power production facilities which qualify under the IURC Rules (170 IAC 4-4.1 *et seq.*). A contract shall be required between the Company and each cogenerator or small power producer (Qualifying Facility), setting forth all terms and conditions governing the purchase of electric power from the Qualifying Facility.

**INTERCONNECTION STANDARDS**

The cogenerator or small power producer shall comply with the interconnection standards as defined in Rider 679 Interconnection Standards Rider.

**PURCHASE RATES**

	<u>Current Rate Per KWH</u>
Summer period (May - Sept.)	
on-peak <sup>(1)</sup>	\$0.04218
off-peak <sup>(2)(5)</sup>	\$0.02584
Winter period (Oct. - Apr.)	
on-Peak <sup>(3)</sup>	\$0.03754
off-Peak <sup>(4)(5)</sup>	\$0.02986

- (1) Monday through Saturday 8 a.m. to 11 p.m.
- (2) Monday through Saturday 11 p.m. to midnight and midnight to 8 a.m. and all day Sunday.
- (3) Monday through Friday 8 a.m. to 11 p.m.
- (4) Monday through Friday 11 p.m. to midnight and midnight to 8 a.m. and all day Saturday and Sunday.
- (5) The twenty-four (24) hours of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day will be included in the Off-Peak period.

For those qualifying facilities for whom metering not capable of recognizing different rating periods is installed:

	<u>Current Rate Per KWH</u>
Summer Period	\$0.03439
Winter Period	\$0.03326

Energy metered during any month more than half of which is in any month of May to September, inclusive, shall be calculated under the summer rates listed above. Energy credited during other periods of the year shall be calculated under the winter rates listed above.

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**Current Capacity Component**

\$9.02 per KW per month.

The monthly capacity component shall be adjusted by the following factor:

$$F = \frac{E_p}{K(T_p)}$$

Where F = Capacity component adjustment factor.

$E_p$  = Kilowatt-hours delivered to the Company during the on-peak period defined as:

Summer - Monday through Saturday 8 a.m. to 11 p.m.

Winter - Monday through Friday 8 a.m. to 11 p.m.

The twenty-four (24) hours of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day will not be included in the On-Peak period.

K = Kilowatts of capacity the qualifying facility contracts to provide.

$T_p$  = Number of hours in the peak period.

The KW capacity available and the kilowatt-hours in the peak period shall be determined by a suitable recording type instrument.

For intended purchases of 72,000 kilowatt-hours or more per month from a Qualifying Facility, the Company and the Qualifying Facility may agree to increase or decrease the rate for Energy purchase in recognition of the following factors:

1. The extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of the Company generation facilities; or
2. The relationship of the availability of Energy from the Qualifying Facility to the ability of the Company to avoid costs, particularly as is evidenced by the Company's ability to dispatch the qualifying facility; or
3. The usefulness of Energy from the qualifying facility during system emergencies, including the ability of the Qualifying Facility to separate its load from its generation.

The Company and Qualifying Facility may negotiate a rate for Energy or capacity purchase which differs from this filed rate.

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**DETERMINATION OF AMOUNT OF ENERGY PURCHASED**

To properly record the number of kilowatt-hours, and where applicable, kilowatts of purchases, the Company and the Qualifying Facility shall mutually agree on the metering configuration to be utilized in accordance with 170 IAC 4-4.1 Section 7 (b). The metering facilities shall be installed and will be owned by the Company, and the Qualifying Facility will be required to reimburse the Company for the installed cost of said metering equipment. The Company need not purchase at the time of a system emergency.

**GENERAL TERMS AND CONDITIONS FOR PURCHASE**

**Contract**

Any cogenerator or small power producer requesting service under this rate shall enter into a written contract for an initial period of not less than one year.

**Curtailment of Purchase**

The Company reserves the right to Curtail the purchase at any time when necessary to make emergency repairs. For the purpose of making other than emergency repairs, the Company reserves the right to disconnect the Qualifying Facility's electric system for four (4) consecutive hours on any Sunday, or such other day or days as may be agreed to by the Qualifying Facility and the Company, provided forty-eight (48) hours' notification previous to the hour of cut-off is given the Qualifying Facility of such intention.

**Additional Load**

The Qualifying Facility shall notify the Company in writing of any substantial additions to or alterations in the equipment supplying electric Energy to the Company and such additions or alterations shall not be connected to the system until such notice shall have been given by the Qualifying Facility and received by the Company.

**Discontinuance of Purchase**

The Company shall have the right to cut off and discontinue the purchase of electric Energy and remove its metering equipment and other property when there is a violation by the Qualifying Facility of any of the terms or conditions of the contract.

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**Back-up and Maintenance Power**

Back-up and maintenance power is electrical Energy and capacity provided by the Company to a Qualified Facility to replace Energy, ordinarily generated by the Qualifying Facility, during a scheduled or unscheduled outage of the Qualifying Facility. Any back-up and maintenance power taken by the Qualified Facility will be billed under an appropriate Rate Schedule.

**GENERAL TERMS AND CONDITIONS OF SERVICE - CONTRACT**

Any Qualified Facility requesting service under this rate shall enter into a written contract for an initial period of not less than three years.

In such contract it shall be proper to include such provisions, if any, as may be agreed upon between the Company and the Qualified Facility with respect to special terms and conditions under which service is to be furnished hereunder, including but not limited to, amount of Contract Demand, voltage to be supplied, and facilities to be provided by each party in accordance with the Company Rules.