
REQUIREMENTS FOR OPERATION OF
PARALLEL GENERATION FACILITIES
(COGENERATORS AND SMALL POWER PRODUCERS)

In order to provide for the safety of Member-Consumers, utility personnel, and others, and to assure reliable electric service consistent with the requirements of the Public Utility Regulatory Policies Act of 1978 and the Michigan Public Service Commission's Order in Case No. U-6798, the following requirements are established for connection and/or operation of Member-Consumer generation facilities in parallel with the Cooperatives distribution system:

Availability

These requirements include all Member-Consumer generation facilities under 100 kW. Member-Consumer generation facilities of 100 kW and over will be handled on an individual basis.

If the Member-Consumer does not meet all of the requirements listed below the Cooperative may require termination of parallel operation and the Member-Consumer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the Member-Consumer's generation facility. These requirements apply to both existing and proposed installations and are subject to change with approval of the Michigan Public Service Commission from time to time.

Safety and Reliability Requirements

The Member-Consumer shall submit for the Cooperative's review detailed electric diagrams, equipment nameplate data, including the interface device and control system of the Member-Consumer's power source and a site plan.

The Member-Consumer's control and protection system and site plan must be acceptable to the Cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the Member-Consumer's generator and the Cooperative system in the event of momentary or extended loss of power from the Cooperative, including loss of one or more phases if the Member-Consumer is generating three phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and or current deviate from normal utility standards. The Member-Consumer shall be liable if the Member-Consumer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the Cooperative may, at its discretion, inspect or test the facility at any time.

(Continued on Sheet No. D-3.01)

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President and CEO
Boyne City, Michigan



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REQUIREMENTS FOR OPERATION OF
PARALLEL GENERATION FACILITIES
(Continued from Sheet No.D-3.00)

The Member-Consumer shall advise the Cooperative prior to making any revisions to the Member-Consumer's generation facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Cooperative.

Should the parallel operation of the Member-Consumer's generation facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the Cooperative's system or other Member-Consumers' service, the Cooperative may require disconnection of parallel operation until the condition has been corrected.

Reimbursement of Costs

The **Member-Consumer** shall pay for all costs associated with any addition to or alteration of the Cooperative's equipment required for metering and for the safe and reliable operation of the **Member-Consumer's** generating equipment in parallel with the Cooperative's system. The **Member-Consumer** shall also pay for costs of changes required due to safety or adverse effects on other **Member-Consumers** and/or on the Cooperative caused by the connection and/or operation of the **Member-Consumer's** generation facility.

The Cooperative may require reasonable and adequate insurance coverage by the interconnecting **Member-Consumer** and the **Member-Consumer** shall provide proof of liability coverage as may be required by the Cooperative.

Sales to Cooperative

Member-Consumers wishing to sell power must arrange to do so with the generation and transmission Cooperative which provides all of the Cooperative's power requirements. Rates for such sales will be subject to the G & T's tariff provisions. **Member-Consumers** selling power to the G & T will be charged 1 mill per kWh sold to cover the Cooperative administrative costs.

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