

SCHEDULE ADG - 1

AGGREGATED DISTRIBUTED GENERATION SERVICE

I. AVAILABILITY

This Aggregated Distributed Generation Schedule is available to any member in good standing of Northeastern REMC (Northeastern), with multiple service locations, who owns and operates a solar, wind, or biomass generating facility designed to operate in parallel with Northeastern's distribution system and intends to share the output of the generation facility among more than one service location. All Conditions of Service must be met to qualify for this rate:

II. CONDITIONS OF SERVICE

For purposes of this rate, an eligible aggregated distributed generation facility is an electrical generating facility that complies with all of the following requirements:

1. The generation facility shall be:
 - a. Located on the premises of a member ("Host Service") that will share in the generation output,
 - b. Intended and sized appropriately to offset all or part of the member's combined electrical load requirements; and
 - c. Interconnected with 3 phase distribution facilities when the nameplate capacity is 50 kW or greater.
 - d. Designed and installed to operate in parallel with Northeastern's distribution system without adversely affecting the operation of Northeastern's equipment, without adversely affecting service to other members, and without presenting safety hazards.
2. The services that will share the generation output ["Participant Service(s)"] shall be services controlled by the member.
3. The service locations for all participating services shall be on the same line segment.
4. The member shall reimburse Northeastern for all upgrades to its distribution plant necessary to accommodate the generation facility or its output.
5. The generation facility output may not be resold.

Members seeking to interconnect an eligible distributed generation facility to Northeastern's distribution system must submit a completed Application and Agreement for Interconnection which are available upon request.

The eligible distributed generation facility shall meet all applicable codes relating to the installation of electrical equipment, including the National Electric Code, the National Electric Safety Code, and state and local codes. The eligible distributed generation facility shall provide Northeastern proof of qualified installation of the distributed generation facility. Certification by a licensed electrician shall constitute acceptable proof.

The member shall install, operate, and maintain the net billing facility in accordance with the manufacturer's suggested practices for safe, efficient, and reliable operation.

Northeastern may perform on-site inspection to verify the proper installation and continuing safe operation of the net billing facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the net billing member.

A member operating a distributed generation facility shall maintain homeowner's, commercial, or other liability insurance providing coverage in the amount of not less than one million dollars

(\$1,000,000) against losses or damages arising from the operation of the member's net billing facility. The member shall provide proof of said liability coverage to Northeastern with the completed Application for Interconnection and upon Northeastern's request anytime thereafter. Northeastern's receipt of evidence of liability insurance does not imply an endorsement of the terms and conditions of coverage.

Northeastern will be solely responsible for determining when a member meets the above conditions

III. CHARACTER OF SERVICE

Except where the nameplate capacity of generation facility exceeds 50 kW, the Character of Service rendered under this Schedule shall be as specified in the member's standard service rate. If the name capacity of said facilities exceeds 50 kW, then service to the member must be 3 phase.

IV. TERM OF SERVICE

So long as the member meets the conditions for service cited herein, service under this schedule may continue from the date the member enters into a contract with Northeastern until the member no longer wishes to operate the net billing facility in parallel with Northeastern's distribution system or the schedule is withdrawn by action of Northeastern's Board of Directors. This schedule is subject to periodic review by Northeastern's Board of Directors and may change at their discretion.

V. INTERCONNECTION EQUIPMENT

All generator interconnection equipment shall meet and be listed to UL standard 1741. The disconnect switch used to isolate the generator from Northeastern's system shall meet ANSI standard C37. The main circuit breaker between the net billing facility and Northeastern's distribution system shall have adequate interrupting capability for the maximum expected short circuit duty and meet ANSI standard C37. Net billing facilities not meeting these standards will not be approved to connect to Northeastern's system.

VI. MONTHLY CHARGES

A. Host Service

The Host Service shall purchase electricity pursuant to Northeastern's applicable distribution service schedule.

1. Schedule DG-1 shall apply if the Host Service receives or qualifies for service under Schedule 10-1, 30-8 or 30-9 and the nameplate capacity of the generation facility is less than 50 kW.
2. Schedule DG-2 shall apply if the Host Service receives or qualifies for service under Schedule 40-0 or 50-0 and/or the nameplate capacity of the generation facility is 50 kW or greater.

The Host Service's total monthly charges shall not be less than the Service Availability Charge and the Demand Charges (if applicable) as stated in the applicable rate schedule. Any kWh generation output plus Generation Carryover in excess of the Host Service's consumption shall be available to offset Participant Service's energy consumption.

B. Participant Services

Generation Credit per kWh

\$0.08127

Each Participant Service's monthly bill shall be equal to its monthly bill under normally applicable rate less a generation credit. The credit shall be equal to the Participant Service's allocated share of the total kWh of Excess Generation available from the Host Service plus kWh Generation Carryover from the prior month multiplied times the Generation Credit. Each

Participant Service's kWh share shall be proportional to its metered kWh consumption divided by the total of all Participant Services kWh consumption times the total available kWh (Excess plus Generation Carryover) but not greater than its actual kWh consumption.

Each Participant Service's total monthly charges shall not be less than the Service Availability Charge and the Demand Charges (if applicable) as stated in the applicable rate schedule.

VII. GENERATION CARRYOVER

If the total current month Excess Generation from the Host Service plus any prior month Generation Carryover exceeds total Participant Service consumption then the excess shall be Generation Carryover and be available for credit to the following month's consumption. If the Host Service terminates service with Northeastern while having a net generation credit on the account, then Northeastern shall refund the remaining credit to the Host Service following a final reading by Northeastern of the member's net meter.

VIII. POWER COST ADJUSTMENT

This adjustment applies to the Power Supply Generation Charge and the Generation Credit. Refer to Appendix A.

IX. METERING

The following metering shall be installed by Northeastern on the member's premises to properly record the net energy delivered or received from Host member:

1. Watt-hour metering capable of measuring the net flow of energy, and
2. Watt-hour meter measuring the total output of the generation equipment.

For purposes of applying this Schedule and determination of the charges specified herein, net deliveries to the member are assumed to be positive metered values, net deliveries to Northeastern (excess generation) are assumed to be negative metered values, and generation output is assumed to be positive metered values.

Northeastern may, at its own expense, install additional meters to monitor the flow of electricity to the member.

Metering at the member premises shall be as specified in the applicable standard rate.

X. CONNECTION AND DISCONNECTION

The Interconnection Application and Agreement must be executed by Northeastern and the member prior to the aggregated distributed generation facility being connected to Northeastern's system.

In order to isolate the distributed generation facility from Northeastern's distribution system, the member shall install an outdoor, visible, lockable disconnect switch. This disconnect switch shall be accessible to Northeastern personnel at all times and located at or within 10 feet of the electric service meter location. The disconnect switch shall meet ANSI standard C37 and shall be lockable in the open or off position. In accordance with provisions of the NEC, a permanent, weatherproof sign shall be provided by the member. It shall be securely affixed on or immediately adjacent to the disconnect switch. The sign shall be clearly marked, "Generator Disconnect Switch", with permanent 3/4 inch letters or larger. If the installation has more than one disconnect switch, each disconnect switch must be identified with its function.

Northeastern may require that the net metering facility be temporarily curtailed or interrupted in order for Northeastern to construct, install, maintain, repair, replace, or inspect any of its equipment or any part of its distribution system. Northeastern will strive to provide the member reasonable notice of interruption. In any such event, Northeastern shall not be obligated to accept

any energy from the member. Northeastern will take reasonable steps to minimize the number and duration of such interruptions.

Northeastern may, at its own discretion, isolate or disconnect any distributed generation facility if it has reason to believe that continued interconnection creates or contributes to a system emergency. System emergencies include, but are not limited to, a disruption of service to another member, a substantial deviation from a normal service standard, or an endangerment to life or property.

XI. SYSTEM LIMITATIONS

In order to help maintain proper utility voltages, to not overload distribution equipment, and to prevent improper operation of equipment, the following limitations and constraints are imposed on distributed generation facilities:

1. The total nameplate capacity of all of the existing and proposed generation does not exceed 25% of the radial distribution circuit peak load and that total is also less than the radial distribution circuit minimum load.
2. The proposed generator's nameplate capacity does not exceed 15% of the annual peak load for the line section with which it will interconnect. A line section is defined as that section of the distribution system between two sectionalizing devices.
3. The proposed generator does not contribute more than 10% to the distribution circuit's maximum fault current at the point of the nearest interconnection with Northeastern REMC's primary distribution voltage.
4. The proposed generator's nameplate capacity, in aggregate with all of the other generators on the distribution circuit, will not cause any distribution protective devices to exceed 85% of their short circuit interrupting capability.
5. If the proposed generator is to be interconnected on a single-phase shared secondary, the total nameplate capacity of all of the generators on the shared secondary, including the proposed generator, does not exceed 20 kW.

Any generation exceeding the above limitations and constraints will not be allowed to interconnect to Northeastern REMC's distribution system. With regards to system capacity limitations and constraints, distributed generation projects will be evaluated on a first-come, first-served basis. Any modifications to Northeastern's distribution system required for the interconnection of a distributed generation facility are at the expense of the member. These modifications include, but are not limited to, the installation of a larger transformer, larger service wires, larger primary wires, and relay or protective device modifications.

XII. OTHER CONDITIONS OF SERVICE

1. Service shall be provided based upon Northeastern's Rules and Regulations.
2. Service under this rate will be furnished on a continuous twelve-month basis.
3. Northeastern may require corrective measures or devices for any generator or inverter that in the opinion of Northeastern will cause objectionable voltage fluctuations to other members. The member shall limit harmonic distortion per IEEE Standard 519.
4. At the removal of the distributed generation installation, the member shall revert to the standard tariff in effect and applicable to the member.
5. Northeastern shall have access to the distributed generation installation at all times.
6. Interruption or temporary stoppage of the supply of electric energy occasioned by fire, strike, equipment failure and casualty, or acts of God or public authorities, beyond the control of Northeastern, shall not constitute a breach of the obligation of Northeastern.

Northeastern Rural Electric Membership Corporation

Columbia City, Indiana

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XIII. TERMS OF PAYMENT

Refer to Appendix B.

XIV. LATE PAYMENT CHARGE

Refer to Appendix B.

XV. INTERPRETATION

Refer to Appendix B.

XVI. ALL OTHER NON-RECURRING CHARGES

Refer to Appendix B.

XVII. OPERATION ROUND UP

Refer to Appendix E.