

# SHELBY ELECTRIC COOPERATIVE

## BOARD POLICY 321

### INTERCONNECTION OF AND SERVICE TO QUALIFYING FACILITIES UNDER PUBLIC UTILITY REGULATORY POLICIES ACT (PURPA)

#### I. OBJECTIVE

To provide, through joint integrated implementation with Prairie Power, Inc. (PPI) and other Members of PPI, for interconnection of and service to a Qualifying Facility located in Shelby Electric Cooperative's service territory, consistent with the Waiver approved by the Federal Energy Regulatory Commission (FERC), PURPA, PPI Policy, and this Policy.

#### II. DEFINITIONS

**"PURPA"** means Sections 201 and 210 of the Public Utility Regulatory Policies Act codified at 16 U.S. Code §796 and §824a-3, as it has been or may hereafter be amended, together with all rules or regulations promulgated thereunder as it relates to Qualifying Facilities (e.g., Code of Federal Regulations, Title 18, Part 292).

**"Qualifying Facility" or "QF"** means a cogeneration facility or a small power production facility that is taking service under this Policy and that meets all the requirements for qualification set forth in PURPA and that has not had its qualifying status revoked by FERC.

**"cogeneration facility"** means a facility that produces electric energy and steam or forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes, but not including an electric generator that produces only a small token amount of useful thermal energy.

**"small power production facility"** means a facility that produces electric energy using biomass, waste, renewable resources, including wind, solar energy and water, or which together with other facilities at the same site have a generating capacity equal to or less than 80 megawatts.

**"Waiver"** means the waiver of Shelby Electric Cooperative's obligation to purchase electricity from a QF and the waiver of PPI's obligation to provide supplementary, back-up, maintenance, and interruptible power to a QF as approved by the Federal Energy Regulatory Commission (FERC) in the Order Granting Petition for Waiver, dated February 5, 1990, in FERC Docket No. IR-168-001, and any future waivers approved by FERC.

**“Prairie Power, Inc.”** or **“PPI”** means Prairie Power, Inc., an Illinois not-for-profit corporation, or its successors in interest, which is an electric generation and transmission cooperative of which the Cooperative is a Member and from which, by contract, the Cooperative obtains its wholesale supply of electricity.

**“Member”** means a Class A Member of PPI, which individually are Adams Electrical Cooperative, Coles-Moultrie Electric Cooperative, Eastern Illini Electric Cooperative, Illinois Electric Cooperative, Jo-Carroll Energy Inc., McDonough Power Cooperative, Menard Electric Cooperative, Shelby Electric Cooperative, Spoon River Electric Cooperative, and Western Illinois Electrical Cooperative.

**“Members”** means one or more Member.

**“Generator Interconnection Agreement”** or **“GIA”** means an agreement and any associated procedures and processes, among PPI, the owner of a QF, the Member, the member-consumer, and, if applicable, the Midcontinent Independent System Operator (MISO). The GIA shall be generally in the standard form developed by PPI or the Member, governing the design, engineering, safe and reliable operations, procurement, construction, installation, ownership, operation, maintenance, facilities, metering, costs, cost recovery, and other matters related to the interconnection of the any electric generation facility to the electric transmission system of PPI or to the electric distribution system of a Member consistent with the requirements of NERC Reliability Standard FAC-001.

### **III. APPLICABILITY**

This policy applies to a Qualifying Facility located in Shelby Electric Cooperative’s service territory. This policy does not apply to the delivery of electric energy by a member to the Cooperative from an eligible renewable electric generation facility (EREGF) where the member has elected to deliver such electric energy under PPI Policy #504 or Shelby Electric Cooperative Policy #308 or a Small DG under PPI Policy #510 or Shelby Electric Cooperative Policy #323.

### **IV. PROVISIONS**

- A. Consistent with the joint integrated implementation by PPI, the Cooperative, and other Members to meet their respective obligations under PURPA, the Cooperative assents to the framework and processes set forth in PPI Policy No. 509 (Interconnection Policy for Cogenerators and Small Power Producers under Public Utility Regulatory Policies Act (PURPA)), as that policy may be amended or revised from time to time. The Cooperative shall act in coordination with PPI, in accordance with

PPI Policy No. 509, to meet their respective obligations under PURPA, consistent with the Waiver.

- B. The Cooperative and PPI shall, in accordance with PPI Policy No. 509, provide for the interconnection of a QF to the Cooperative's electric transmission or distribution system or PPI's electric transmission system. As set forth and designated in PPI Policy No. 509, such interconnection of a QF shall be in accordance with the applicable provisions and terms of (1) the Cooperative's Board Policy 307 (Interconnection and Parallel Operation of Distributed Generation) and any agreement entered into under that policy between the Cooperative and the QF or (2) a Generator Interconnection Agreement entered into among PPI, QF, and such other parties as may be necessary or appropriate.
- C. Consistent with the Waiver and in accordance with the terms and conditions of PPI Policy No. 509:
  - 1. PPI shall purchase from the owner of the QF the electric energy and electric capacity (if any) supplied by the QF that the Cooperative would otherwise be required to purchase;
  - 2. The Cooperative shall not impose on the QF any duplicate charge or additional fees as a result of PPI's purchase of electric energy and electric capacity (if any) which would otherwise be purchased by the Cooperative;
  - 3. The Cooperative shall not impose on the QF any duplicate interconnection charges or duplicate charges for transporting power to PPI across the lines of the Cooperative; and
  - 4. The Cooperative shall make available to a QF located in its service territory supplementary, back-up, maintenance and interruptible power at rates determined by the Cooperative that are nondiscriminatory, just and reasonable, and in the public interest.
  - 5. No QF will be subject to duplicative interconnection charges or duplicative charges for Station Power from the Cooperative; and

6. No QF interconnected directly with PPI will be required to build separate facilities to the Cooperative to receive Station Power.

***Adopted: April 19, 2017***  
***Revised: April 25, 2023***