



QUALIFYING FACILITY

FREQUENTLY ASKED QUESTIONS

Does Shelby Electric Cooperative (SEC) allow renewable energy, like wind and solar, to be interconnected to their power system?

Yes. SEC does allow the safe interconnection of renewable energy to their power system. ***Please note solar panels cannot be placed over or within 15 feet of SEC's underground or overhead lines.***

What size of system is SEC's QF policy for?

SEC will allow any systems no less than 10 kW AC and equal to or less than 100 kW AC to be safely interconnected.

What types of QF's are there?

1. **Standard QF**--the system will track all kilowatt hours generated over what the member is using at each five-minute interval. All over-generated kilowatt hours are contracted through SEC's power provider, Prairie Power, Inc. (PPI). In addition to SEC's meter (which will record how much electricity SEC sends you) another meter is required. This additional meter is paid for and owned by the member and installed by PPI to record the amount of electricity received. This metering is very advanced and must maintain contact with PPI's communication systems. In this scenario, the member will receive a standard monthly bill from SEC for all electricity delivered to this location. The member will also receive a separate monthly statement/check from PPI for communication fees and settlements for electricity received from the location based on real-time market prices. Keep in mind that the actual price of electricity settles every 5 minutes and fluctuates positive and negative.
2. **Waived QF**--the member opts-out of the additional metering. If the member over-generates under this agreement, they agree to waive all rights to those kilowatt-hour sales.



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What costs are involved in interconnecting a system under the QF policy?

To help recover a portion of the costs incurred by the cooperative, **\$500** must be paid when submitting an interconnection application. All QF applications will require a **\$1,500** deposit for a Third-Party Engineering Analysis. ***Please note additional deposits may be required and all interested members should call into the office and speak to a member services representative.***

Could my billing rate change?

Yes. Once a member installs renewable energy, they will either be put on Rate 1: Residential Single Phase or Rate 2: Residential Three Phase. No incentive rates may apply such as Rate 11: Qualified Heat Pump, Rate 12: Electric Heat, or Rate 13: Residential Interruptible. ***Please note all submeters will be removed when the new meter gets installed.***

Does SEC require the member to have any additional insurance

Yes. Any member on SEC lines that installs renewable energy shall carry and keep in force a liability insurance policy issued by a licensed insurance carrier with an A.M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the DGP. The coverage limits of such policy shall be not less than **\$1,000,000** per occurrence for a DGP under SEC Board Policies 308, 321, and 323.

Does the system act like a backup generator when SEC's power goes off?

No. In the case of a power outage, SEC requires that renewable energy systems be automatically disconnected from the power grid. This is to ensure the safety of any line personnel working on the power lines as well as to protect the generation equipment.

Can I have both renewable energy and a generator?

Yes. Members can have both renewable energy and a generator. However, the system cannot be energized or on while the generator is running.



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When should I contact SEC about my plans for adding renewable energy to my house/business?

SEC should be contacted at the very early stages of discussing the installation of renewable energy. This will ensure there are no questions left unanswered toward the end of the installation. Please do not rely on installers to share current costs, practices, policies, or procedures specific to Shelby Electric Cooperative. *Call our office at 217-774-3986 to speak with a member services representative.*

If I add renewable energy, will I save on my electric bill?

Depending upon the size and efficiency of your system, most people see savings on their electric bill. Some companies make claims that you'll never have to pay an electric bill again, and we caution that this is simply not true. Your home requires electricity even if the sun is not shining, including at night and on cloudy days. This means you will continue to draw electricity from the grid and be billed monthly on your home energy use and the service availability charge.