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## QUALIFYING FACILITY ENERGY PURCHASES FOR FACILITIES OF GREATER THAN 100 KW

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(1) **AVAILABILITY**

Service under this Schedule is available in accordance with LPSC Order No. U-22739 and Subchapter K, Part 292, Subpart B of the Federal Energy Regulatory Commission's (FERC) Regulations that implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA).

Such service is available at any point on the Company's electric system where facilities of adequate capacity and suitable phase and voltage are adjacent to the premises to be served. Where the Company is required to extend lines or provide facilities below transmission voltage level, not specifically recovered under another service Schedule, a facilities charge, contribution, or other compensation may be required.

(2) **APPLICATION**

This Schedule is applicable to the purchase of energy from a Customer's Qualifying Facility (QF) with a design capacity greater than 100 kW contracting for the sale of energy to the Company. A QF is defined as a small power production facility or cogeneration facility that qualifies under Subchapter K, Part 292, Subpart B of the Federal Energy Regulatory Commission's Regulations that implement PURPA Sections 201 and 210 and as addressed in LPSC Order No. U-22739. Company will accept and pay for all electric energy which is produced by the QF and delivered into the Company's system, subject to the provisions of a dually executed Purchased Power Agreement.

(3) **MONTHLY CUSTOMER CHARGE**

The Customer shall pay a monthly Customer Charge to recover the Company's billing, metering, administration and other incremental expenses necessary to maintain service to the Customer's QF.

Monthly Charge

<b>Customer Charge</b>	<b>\$400.00</b>
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(4) **MONTHLY FACILITY CHARGE**

The Company may require the Customer to make a non-refundable contribution equal to the Company's actual cost of facilities, as determined by the Company in its sole judgment to be necessary to receive energy from the Customer's QF. Such Monthly Facility Charge will be addressed in the Purchased Power Agreement.



(5) **MONTHLY PURCHASE RATE**

Electric energy delivered into the Company's system shall be recorded on an hour-by-hour basis during each billing month, adjusted for any transformation or interconnection losses. The price to be paid for such delivered energy each hour shall be either:

(a) The hourly Avoided Energy Cost of the Company as Avoided Energy Cost is defined in accordance with Public Utility Regulatory Policies Act of 1978 (PURPA); the rules, regulations and orders of the FERC; and LPSC Order No. U-22739. Hourly Avoided Energy Cost shall mean the incremental costs to the Company of energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, the Company would generate itself or Schedule and purchase from another source.

**Or**

(b) A negotiated rate for a specific term, with such rate and term being mutually agreed to by Company and QF and set forth in an Agreement for Purchased Power. In no event shall such negotiated rate for any twelve months ended December 31 be greater than the average concurrent annual Avoided Cost of the Company, as filed in compliance with LPSC Order No. U-22739, and the terms set forth in that Order. Should the negotiated rate exceed Avoided Cost during that period, subsequent purchase prices will be reduced to affect a credit which will equalize the Purchase Price to Avoided Cost.

Payments from Company to the Customer's QF shall be made under either (a) or (b) above, with each being mutually exclusive of the other.

(6) **BACK-UP/MAINTENANCE POWER**

At the Customer's request, and subject to the Customer entering into an agreement for such service, back-up and maintenance power requirements of the Customer's QF shall be provided under the Company's Qualifying Facilities Standby Service tariff (Schedule QFSS) as approved by the LPSC.

(7) **PAYMENT**

The Net Monthly Payment is due and payable each month. If not paid within 20 days from the date of billing, the Net Monthly Payment due either the Customer or Company will be increased by 2%. Company reserves the right to credit payments due against any other billings due and payable to the Company by the Customer.

(8) **TERMS AND CONDITIONS**

Service under this Schedule is subject to the Company's Standard Terms and Conditions for Electric Service and to all applicable Rider Schedules and adjustment clauses.