

**MINNESOTA VALLEY COOPERATIVE LIGHT AND POWER ASSOCIATION
SCHEDULES FOR CO-GENERATION AND SMALL POWER PRODUCTION**

Single Phase Average Retail Rate

kWh's Sold		117,450,009
Availability Charges	\$	1,161,578
Total Charges	\$	12,606,481
Energy Charges	\$	11,444,903
Average Retail Rate/kWh	\$	0.09744

Average Retail Rate: \$0.09744 per kWh (Single Phase)

*Based off of actual usage

Three Phase Average Retail Rate

kWh's Sold		16,214,358
Availability Charges	\$	65,170
Total Charges	\$	1,632,917
Energy Charges	\$	1,567,747
Average Retail Rate/kWh	\$	0.09669

Average Retail Rate: \$0.09669 per kWh (Three Phase)

*Based off of actual usage

Single Phase Distribution Facility Charge

Annual Revenue Requirements	\$	14,670,760
Less: Annual Purchased Power Expense	\$	7,737,751
Annual Distribution Fixed Costs	\$	6,933,010
Less: Annual Customer Charge Revenue	\$	1,194,396
Distribution Fixed Costs Recovered in Energy Rate	\$	5,738,614
Annual Energy Sales (kWh)	÷	129,881,712
Distribution Fixed Costs Recovered in Energy Rate	= \$	0.0442

Distribution Facility Charge: \$0.0442 per kWh (Single Phase)

*The Distribution Facility Charge is the portion embedded in the Energy Charge that is specific to the Cooperative's fixed costs. This is based off of the most recent Cost of Service Study.

Three Phase Distribution Facility Charge

Annual Revenue Requirements	\$	2,088,590
Less: Annual Purchased Power Expense	\$	1,422,616
Annual Distribution Fixed Costs	\$	665,973
Less: Annual Customer Charge Revenue	\$	49,392
Distribution Fixed Costs Recovered in Energy Rate	\$	616,581
Annual Energy Sales (kWh)	÷	17,904,927
Distribution Fixed Costs Recovered in Energy Rate	= \$	0.0344

Distribution Facility Charge: \$0.0344 per kWh (Three Phase)

*The Distribution Facility Charge is the portion embedded in the Energy Charge that is specific to the Cooperative's fixed costs. This is based off of the most recent Cost of Service Study.

SCHEDULE 3

Interconnection of all Co-Generation and Small Power Production Equipment shall comply with all standards applicable to the installation.

American National Standards Institute/Institute of Electrical and Electronics Engineers (ANSI/IEEE 1547)
National Electrical Safety Code (NESC)
National Electrical Code (NEC)

NOTICE

COGENERATION AND SMALL POWER PRODUCTION NOTICE

The Minnesota State Legislature recently passed, and the Governor signed into law, legislation that allows electric cooperatives to adopt the authority implementing self-governing of distributed generation sites (Minnesota Statute 216B.164). To do so the cooperative had to pass a resolution adopting this authority and adopt rules implementing this section of statute.

The purpose of this change is to secure local decision-making. The Cooperative will provide information regarding rates and interconnection requirements to all interested members free of charge upon request (www.mnvalleyrec.com). An application of interconnection is required for a Qualifying Facility to interconnect and operate in parallel with the Cooperative's distribution system and is subject to approval by the Cooperative.

Any disputes between the Cooperative and its members over interconnection, sales and purchases can be resolved between those parties and may be taken to a mutually agreed upon mediator as outlined in the rules implementing 216B.164.

**Members interested in obtaining further information should contact
Scott Kubesh, Duane O'Malley or Mark Johnson
Minnesota Valley Member Services Department
at: 320.269.2163/800.247.5051
501 S 1st St Montevideo, MN 56265**

