

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

STANDARD OFFER TARIFF

SCHEDULE NO. 7
OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW

Effective: For electrical usage beginning on or after January 1, 2017 and billed beginning with the February 1, 2017 cycle billings.

Availability

Available to consumers within the Cooperative's certificated area, where facilities of adequate capacity and suitable voltages are adjacent to the premises served and when all applicable provisions described herein have been met. This service is subject to the Cooperative's rules and regulations.

Application

Applicable only to qualified cogeneration and small power production facilities of 100 kW or more that meet qualifying status as defined under 18 CFR, Chapter 1, Part 292, Subpart B of the Federal Energy Regulatory Commission's regulations and pursuant to the Arizona Corporation Commission's Decision No. 56271. The facility's generator(s) and load must be located at the same premise.

Type of Service

Single- or three-phase, alternating current, 60 cycles, at available secondary or primary voltages at one standard voltage as may be selected by the consumer.

Monthly Rate

The monthly bill shall be the sum of the amounts computed under A, B, C, and D below, including the applicable Adjustments:

- A. Basic Service: \$86.50 per month, plus
 \$53.28 per month per each generator meter.
- B. Supplemental Service:
Demand and energy charges will be in accordance with Schedule No. 2, Commercial and Industrial Service - Above 50 kVA, based upon the consumer's maximum supplemental demand.
- C. Standby Service:
 - 1. Monthly Reservation Charge: \$2.96 per kW of Contract Standby Capacity
 To be adjusted as specified herein, plus
 - 2. Standby Energy Charge shall be the energy charges applicable under the retail rate schedules of the Cooperative that would be applicable absent the generation of the qualifying facility. The currently approved charges are:
 Schedule No. 2, Commercial and Industrial Service - Above 50 kVA
 - First 300 kWh/kW \$0.07500 per kWh
 - Excess kWh \$0.02600 per kWh

APPROVED FOR FILING
Decision No. 75833

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

STANDARD OFFER TARIFF

SCHEDULE NO. 7
OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW

D. Maintenance Service:

The Maintenance Service Energy Charge shall be the energy charges applicable under the retail rate schedules of the Cooperative that would be applicable absent the generation of the qualifying facility. The currently approved charges are:

Schedule No. 2, Commercial and Industrial Service - Above 50 kVA

All charges will be at the Excess Energy Rate:

Excess kWh \$0.02600 per kWh

Determination of Monthly Reservation Charge

The initial Monthly Reservation Charge shall be that charge indicated previously under the Monthly Bill section, Part C, 1. At the end of the first five months of winter service under this rate schedule, an actual forced outage rate for the cogeneration service received by each consumer shall be determined. That actual forced outage rate expressed as a percent shall then be applied to the current unit demand charge paid by the Cooperative to its supplier to determine the Monthly Reservation Charge to be applied to each consumer for the ensuing twelve months. This process will be repeated for each consumer each year to determine the Monthly Reservation Charge to be applied to each consumer for the following year.

Determination of Supplemental Service

Supplemental Service shall be defined as demand and energy contracted by each consumer to augment the power and energy generated by the consumer's generation facility.

Supplemental demand shall be equal to the maximum 15-minute integrated kW demand as calculated for every 15 minute interval as the demand of the Supply meter plus the demand of the Generator meter(s) less the Contract Standby Capacity of the consumer's generator(s).

Supplemental Energy shall be equal to all energy supplied to the consumer as determined from readings of the Supply meter, less any energy determined to be either Standby or Maintenance energy as defined in this schedule.

Determination of Standby Energy

Standby Energy shall be defined to be electric energy supplied by the Cooperative to replace power ordinarily generated by the consumer's generation facility during unscheduled full and partial outages of said consumer's generation facility.

Standby Energy shall be equal to the summation of the differences between the maximum energy output of the consumer's generator(s) at the Contract Standby Capacity and the energy measured on the generator meter(s) for every 15-minute interval of the month, except those intervals when energy measured on the supply meter(s) is zero.

All Standby Energy will be billed at the otherwise applicable rate for Supplemental Service when the energy used during cogeneration exceeds 250 kWh/kW of Contract Standby Capacity in a monthly billing period.

APPROVED FOR FILING
Decision No. 75833

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

STANDARD OFFER TARIFF

SCHEDULE NO. 7
OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW

Determination of Maintenance Energy

Maintenance Energy shall be defined as energy supplied to the consumer by the Cooperative up to a maximum of the Contract Standby Capacity times the hours in the Scheduled Maintenance period. Maintenance periods shall not exceed thirty (30) days per year and must be scheduled during summer months. The consumer shall supply the Cooperative with a Maintenance Schedule for the first and each ensuing twelve-month period at least sixty (60) days prior to the beginning of that period for the approval of the Cooperative. Energy used in excess of a thirty (30) day period or unauthorized Maintenance Energy shall be billed as supplemental power and energy.

Metering

The Cooperative will install a supply meter at its point of delivery to the consumer and a generator meter at each point of output from each of the consumer's generators. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Cooperative.

Definitions

1. Contract Standby Capacity: The nameplate kW rating of each cogeneration and/or small power production generating unit multiplied by the Net Output Factor of each unit, to be reevaluated each year.
2. Net Output Factor: The ratio of the maximum measured kW output of each cogeneration and/or small power production unit during any 15-minute interval to each unit's nameplate kW rating.
3. Forced Outage Rate: The ratio (expressed as a percentage) of the standby energy used during the consumer's On-Peak hours to the product of the Contract Standby Capacity multiplied by those hours.
4. Generator Meter: The time-of-use meter(s) used to measure in 15-minute intervals the total power and energy output of each consumer cogeneration and/or small power production generation unit.
5. Supply Meter: The time-of-use meter used to measure in 15-minute intervals the total power and energy supplied by the Cooperative to the consumer.
6. Time Periods:

On-Peak:	8:00 a.m. to 9:00 p.m.
Off-Peak:	9:00 p.m. to 8:00 a.m.
Winter:	October through March
Summer:	April through September

Mountain Standard Time shall be used in the application of this rate schedule.

Terms and Conditions: Term: Termination

The consumer must enter into a written agreement for all service hereunder including the interconnection and the sale of power and energy with the Cooperative. The contract period shall be for the period specified in the written agreement; however, should the consumer cease to operate cogeneration and/or small power production unit(s) for sixty (60) consecutive days during periods other than planned scheduled maintenance periods, the Cooperative reserves the right to terminate any agreement for service under this rate schedule with the consumer.

APPROVED FOR FILING