

## ARTICLE 7

### Classification of Service and Rates

**Section 1. Single-Phase Rate RES01.** This rate classification is required for all single-phase accounts, unless they qualify for the Small Commercial SC002 Rate. Members on this rate shall take both electric distribution and energy services from Enerstar.

TYPE OF SERVICE: Single-phase at available voltages.

**Section 2. PrePaid Rate PPA01.** This rate classification is available to all new and existing single-phase accounts with a conventional meter (no CT, no multiplier). Members on this rate shall take both electric distribution and energy services from Enerstar.

TYPE OF SERVICE: Prepaid single-phase at available voltages.

**Section 3. Small Commercial Rate SC002.** This rate classification is required for all three-phase accounts that require less than 1000 KVA transformer capacity. Single-phase commercial accounts may also select this rate if their aggregated transformer KVA is 100 KVA or above. Single-phase members that select this rate as an option must stay on this rate for a minimum period of 12 months. **(Passed at August 29, 2018, board meeting.)** Members on this rate shall take both electric distribution and energy services from Enerstar.

TYPE OF SERVICE: Three-phase or single-phase at available voltages.

**Section 4. Large Power Rate LG003.** This rate classification is required for all three-phase accounts that require 1000 KVA transformer capacity or greater. Members on this rate shall take both electric distribution and energy services from Enerstar.

TYPE OF SERVICE: Three-phase at available voltages.

**Section 5. Single-Phase Net Meter Rate RES1N.** This rate classification is required for all single-phase net-metered accounts with generation above 10 kW. This rate classification is subject to prior approval from the Cooperative and a waiver from Wabash Valley Power Association, Inc., Enerstar's cooperative wholesale power supplier. Members on this rate shall take both electric distribution and energy services from Enerstar.

TYPE OF SERVICE: Single-phase, net-metered with generation above 10 kW at available voltages.

**Section 6. Unmetered Outdoor Lighting Rate 10.** This rate classification of unmetered outdoor lighting is available to all members of the Cooperative.

TYPE OF SERVICE: Outdoor lighting, unmetered.

**Section 7. Metered Outdoor Lighting Rate 11.** This rate classification of metered outdoor lighting is available to all member of the Cooperative.

TYPE OF SERVICE: Outdoor lighting- maintenance only.

**Section 8. Single-Phase Military Service Rate G1544.** This rate classification is available to single-phase residential accounts registered in the name of a cooperative member who is currently serving in a National Guard unit or military reserve unit, with a call to duty being a career interruption that interrupts a non-military career. This rate shall be in effect only while the member is listed as active duty and whose account is current. One meter per member shall be available for this rate schedule and said meter must measure energy usage at member's primary residence.

TYPE OF SERVICE: Single-phase at available voltages.

**Section 9. Line Retention Rate for Idle Services. (Adopted 02/29/2016)** This rate is available for Members who wish to retain an idle service. Idle services are instances of facilities where electric power is available, but not being utilized. In the event that Enerstar identifies a service that would normally be retired due to age or maintenance issues, the Member may chose to keep that service in place by paying the line retention rate to help cover the expense related to the installed equipment as long as maintaining that equipment does not put an undue burden on the Cooperative.

TYPE OF SERVICE: Idle

**Section 10. Required Transformer Capacity.** Required transformer size will be determined by a Cooperative representative. All transformers greater than 37.5 kW will have a KVA minimum cost equal to size of the transformer or the facility charge, whichever is greater.

**Section 11. Rates.** Rates for electric service and power shall be set by resolution of the Board of Directors. Rates shall be amended when necessary to meet the financial goals of the Cooperative. A Cost of Service study will be conducted to determine the appropriate retail rate the Cooperative should charge each rate class. The CEO shall recommend the retail electric rates to the Board for approval. For the different classifications of service and special contracts based on a Cost of Service Study, a member may contact the Cooperative office.

**Section 12. Adjustment to Rates.** Beginning July 1, 2016, the Cooperative may add a Distribution Cost Adjustment (DCA) to correct for over-collection or under-collection of margins. The DCA will adjust revenues gradually, over a period of time, when the Cooperative's expenses are either higher or lower than the Budget anticipated. The DCA is a per kilowatt hour charge and may be a debit or credit to the member's bill, depending on the financial needs of the Cooperative. The DCA will be calculated at least once a year at Budget time. Current year margins will be estimated and compared to budgeted margins. If the margins are significantly over or under the budgeted margins, a DCA will be implemented to correct for over-collection or under-collection of margins.

The rates may also include a Power Cost Adjustment (PCA) designed to automatically adjust revenues to pass on to members fluctuations, plus or minus, in the Cooperative's wholesale power cost from its wholesale power supplier.

**Section 13. Co-op Solar Programs. (Adopted June 27, 2017)** Members in the rate classification of Single Phase RES01; Small Commercial Rate SC002; Large Power LG003; Single-Phase Net Meter RES1N; and Economic Development Rate EDR4 may participate in a community solar project known as Co-op Solar. The Co-op Solar Project implemented by Enerstar's cooperative generation and transmission wholesale power supplier, Wabash Valley Power Association, Inc., is comprised of geographically diverse solar arrays that are divided into shares that represent 300 Watts of solar energy capacity. The following options available.

**Option A.** Members that elect option A pay a per share monthly rate in addition to all other Cooperative rates and charges to purchase the solar electricity generated by each share. The Co-op Solar Program – Option A is subject to the terms and conditions specified in the Member Agreement for Option A.

**Option B.** Members that elect option B pay a per share one time charge in addition to all other Cooperative rates and charges to purchase the solar electricity generated by each share for the term set forth in the Agreement. Under option B the kwh generated by the shares purchased will be netted against the kwh used by the member and is subject to the Cooperative's Net Metering Policy. The Co-op Solar Program – Option B is subject to the terms and conditions specified in the Member Agreement for Option B.

**Section 14. Power Starting Requirements.** All installation of power loads on the Cooperative system shall conform to the safety set forth in the National Electric Code.

1. It is the policy of this Cooperative to limit the motor starting current on single-phase lines to 260 amperes at 240 volts which is equivalent to a NEMA Standard 10 horsepower single-phase motor starting across the line. A three-phase motor-converter installation operating on a single-phase line shall also be limited to 260 amperes.
2. The maximum motor size to be started across the line on three-phase lines is 40 horsepower. Motors, over 40 HP and larger, must have compensator starting equipment.
3. The limits imposed in (1) and (2) above may be lowered in individual cases depending on running cycles and line capacities, at the discretion of the management of the Cooperative.
4. All motors above 3 HP shall be equipped with adequate starting device such as magnetic starter with thermal cut-out, and shall be installed for manually starting or time delay starting.

The Cooperative reserves the right to limit the number of motors on single-phase service.

**Section 15. Cooperative Shall Approve Welders.** The cooperative shall approve the use on its lines only of those welders with NEMA Standards and operating on 240 volts. No

welder over 200 amp secondary can be connected at an installation of less than 10 KVA installed transformer capacity.