

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

Single Phase Average Retail Rate

kWh's Sold		126,882,985
Availability Charges	\$	1,156,584
Total Charges	\$	13,407,668
Energy Charges	\$	12,251,084
Average Retail Rate/kWh	\$	0.09660

Average Retail Rate: \$0.09660 per kWh (Single Phase)

*Based off of actual usage

Three Phase Average Retail Rate

kWh's Sold		16,411,194
Availability Charges	\$	66,444
Total Charges	\$	1,619,479
Energy Charges	\$	1,533,035
Average Retail Rate/kWh	\$	0.09460

Average Retail Rate: \$0.09460 per kWh (Three Phase)

*Based off of actual usage

Single Phase Distribution Facility Charge

Annual Revenue Requirements	\$	15,516,833
Less: Annual Purchased Power Expense	\$	6,892,613
Annual Distribution Fixed Costs	\$	8,624,220
Less: Annual Customer Charge Revenue	\$	1,335,180
Distribution Fixed Costs Recovered in Energy Rate	\$	7,289,040
Annual Energy Sales (kWh)	÷	118,565,295
Distribution Fixed Costs Recovered in Energy Rate	= \$	0.0615

Distribution Facility Charge: \$0.06150 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	\$	2,226,611
Less: Annual Purchased Power Expense	\$	1,346,735
Annual Distribution Fixed Costs	\$	879,876
Less: Annual Customer Charge Revenue	\$	64,680
Distribution Fixed Costs Recovered in Energy Rate	\$	815,196
Annual Energy Sales (kWh)	÷	21,269,368
Distribution Fixed Costs Recovered in Energy Rate	= \$	0.0383

Distribution Facility Charge: \$0.03830 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 or Duane O'Malley
Minnesota Valley Member Services Department
at: 320.269.2163/800.247.5051
501 S 1st St Montevideo, MN 56265**