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SPECIAL CONTRACT RATES:

ADP, DAKOTA ETHANOL, EROS, VERASUN, NOVITA

**SPECIAL CONTRACT RATES ARE CONFIDENTIAL AND INFORMATION ON THESE RATES IS AVAILABLE THROUGH THE MANAGER OF CUSTOMER SERVICES.

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE FRR

FARM AND RURAL RESIDENTIAL SERVICE

AVAILABILITY

Available to farm and rural residential customers with up to a 125 required KVA capacity for uses that are agriculture production related or for rural residences. All uses subject to established rules and regulations of the Cooperative.

TYPE OF SERVICE

Single-phase, or three phase, at available secondary voltages.

RATE

Basic Service

Single Phase: \$50.00

Three Phase: \$90.00

Energy Charge:

\$0.0955 per KWH used

SERVICE PROVISIONS

Delivery Point

Service is furnished at secondary voltages, where the delivery point shall be the metering point, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Customer.

DETERMINATION OF REQUIRED KVA

The required KVA shall be determined by the customer's actual capacity requirements considering maximum KW demand and power factor. In the case of a single customer receiving service from a transformer installation, standard transformer sizes will be assumed. In the case of shared transformer installations, the standard transformer sizes will be prorated based on the actual capacity requirements of each customer using the transformer installation. When the customer insists on a transformer capacity in excess of the required KVA, the requested and actual installed KVA shall be used to calculate the facility charge.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE RES

RESIDENTIAL SERVICE

AVAILABILITY

Available to residential customers in towns, suburban areas and other platted congested areas wherein six or more lots are receiving service from the Cooperative, subject to the established rules and regulations of the Cooperative.

TYPE OF SERVICE

Single-phase at available secondary voltages.

RATE

Basic Service: \$18.50

Energy Charge:

\$0.0955 per KWH used

AREA LIGHTING

Customers under this schedule that are furnished area lighting by the Cooperative, not covered under a street lighting agreement, shall pay a fee of \$3.15 per month, which shall be added to the Facility Charge for a total of \$21.65. Under separate agreement, special lighting packages have been installed for some residential areas that carry a higher monthly charge for area lighting. In these cases, the fees and terms of the agreement shall prevail.

SERVICE PROVISIONS

Delivery Point

Service is furnished at secondary voltages, where the delivery point shall be the metering point, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Customer.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Annual bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE GS

GENERAL SERVICE

AVAILABILITY

Available to commercial and industrial customers, schools, churches and community halls **not exceeding 50 KW demand**, for all uses, subject to established rules and regulations of the Cooperative.

Combination commercial and residential accounts where the commercial load requires 10 KVA of transformer capacity, or less, the Cooperative at its discretion may provide service through one meter and classify the account under the appropriate residential rate schedule.

TYPE OF SERVICE

Single-phase, or three phase, at available secondary voltages.

RATE

Basic Service:

Single Phase: \$50.00

Three Phase: \$90.00

Energy Charge:

\$0.0955 per KWH used

AREA LIGHTING

Customers under this schedule that are furnished area lighting by the Cooperative, not covered under a street lighting agreement, shall pay a fee of \$3.15 per month, which shall be added to the Facility Charge. Under separate agreement, special lighting packages have been installed for some areas that carry a higher monthly charge for area lighting. In these cases, the fees and terms of the agreement shall prevail.

SERVICE PROVISIONS

Delivery Point

Service is furnished at secondary voltages, where the delivery point shall be the metering point, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Customer.

DETERMINATION OF DEMAND

The demand shall be the maximum kilowatt demand established by the customer for any interval of 30 consecutive minutes during the billing period as determined by a demand meter or otherwise, and adjusted for power factor.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC
COLMAN, SOUTH DAKOTA

SCHEDULE LP

LARGE POWER SERVICE

AVAILABILITY

Available to commercial and industrial customers, schools, churches and community halls averaging 50 KW demand or greater in a 12-month calendar period or exceeding 75 KW demand two monthly times in a 12-month calendar period. All uses subject to established rules and regulations of the Cooperative.

Available to farm and rural residential customers with a required KVA capacity greater than 125 for uses that are agriculture production related.

TYPE OF SERVICE

Single-phase, or three phase, at available secondary voltages.

RATE

Facility Charge

\$1.20 per required KVA transformer capacity per month

Energy Charge

\$0.03550 per KWH used.

Demand Charge

\$14.75 per KW billing demand per month

DETERMINATION OF REQUIRED KVA

The required KVA shall be determined by the customer's actual capacity requirements considering maximum KW demand and power factor. In the case of a single customer receiving service from a transformer installation, standard transformer sizes will be assumed. In the case of shared transformer installations, the standard transformer sizes will be prorated based on the actual capacity requirements of each customer using the transformer installation. When the customer insists on a transformer capacity in excess of the required KVA, the requested and actual installed KVA shall be used to calculate the facility charge.

In the case of customer owned transformer the facility charge will be reduced to \$0.58 per required KVA transformer capacity per month.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the customer for any interval of 30 consecutive minutes during the billing period as determined by a demand meter or otherwise, and adjusted for power factor.

SERVICE PROVISIONS

Delivery Point

If service is furnished at secondary voltage, the delivery point shall be the metering point, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer.

If service is furnished at the Cooperative's primary line voltage, the delivery point shall be the point of attachment of the Cooperative's primary line to the Customer's transformer structure, unless otherwise specified in the contract of service. All wiring, poles, lines and other electric equipment (except metering equipment) on the load side to the delivery point shall be owned and maintained by the Customer.

Primary Service Discount

If service is furnished at primary distribution voltage, a discount of \$.0005 (0.5 mills) per KWH shall apply to the monthly energy charges. The Cooperative shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC
COLMAN, SOUTH DAKOTA

SCHEDULE LP-5/7

INTERRUPTIBLE 5/7 LARGE POWER SERVICE

AVAILABILITY

Available to customers averaging 50 KW demand in a 12-month calendar period or exceeding 75 KW demand for a total of two monthly times in a 12-month calendar period. All uses subject to established rules and regulations of the Cooperative.

TYPE OF SERVICE

Single-phase, or three phase, at available secondary voltages.

RATE

Facility Charge

\$1.10 per required KVA transformer capacity per month

Energy Charge

\$0.0355 per KWH used

Demand Charge

On-peak Period Demand - \$17.50 per KW, or \$40.00 per KW, on the third occurrence, if there have been at least two times during the previous 24-month period of having on-peak demand, plus;

Off-peak (Maximum Demand) in excess of On-peak demand - \$5.40 per KW.

DETERMINATION OF BILLING DEMAND:

Load Management Operation – The load management system will be operated during the months of January, February, June, July, August, November and December. The load management system will not be operated during the other months, except to verify that the controls are operational.

On-peak(Coincident) - The billing demand, during the seven months of load management operation, shall be the kilowatt demand established by the customer during the thirty (30) minute period coincident with the maximum thirty (30) minute kilowatt demand of the applicable power supplier's system (East River Electric or L & O), as determined by a recording demand meter or otherwise, and adjusted for power factor. During the five months of no load management

operation, the on-peak (coincident peak) shall be considered to be zero, as if control had been active. The demand charge is increased for a control month with on-peak (coincident demand) on the third occurrence; if there have been two months in the previous 24-month period with on-peak demand due to customer equipment malfunction.

Off-peak/Maximum - The billing demand shall be the maximum kilowatt demand established by the customer for any interval of 30 consecutive minutes during the billing period as determined by a recording demand meter or otherwise, and adjusted for power factor.

DETERMINATION OF REQUIRED KVA:

The required KVA shall be determined by the customer's actual capacity requirements considering maximum KW demand and power factor. In the case of a single customer receiving service from a transformer installation, standard transformer sizes will be assumed. In the case of shared transformer installations, the standard transformer sizes will be prorated based on the actual capacity requirements of each customer using the transformer installation. When the customer insists on a transformer capacity in excess of the required KVA, the requested and actual installed KVA shall be used to calculate the facility charge.

SERVICE PROVISIONS:

Minimum Term of Service - Customers choosing this rate option shall remain on the rate for twelve consecutive months or until the service fails to comply with any of the other qualifications as stated in this schedule. After twelve months, the customer may return to the regular rate. However, if the customer exercises this option, the Interruptible 5/7 Rate will not be available for another twelve months.

Metering - A single metered load shall be metered by a thirty-minute time registering demand and energy recording device. The Cooperative shall read and maintain the meter and recording equipment. Cooperative personnel shall be allowed access to the metering equipment for installation, maintenance, meter reading and meter testing.

Load Management Equipment - The Cooperative shall provide, install and maintain load management signal receiving equipment. Cooperative personnel shall be permitted access to install and maintain this equipment. The Customer shall be responsible for the installation, maintenance and proper operation of their load reducing or switching equipment. The Cooperative shall not be responsible for the operation, or failure thereof, of the customer's equipment.

Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment on the load side of the delivery point, except for Cooperative-owned load management equipment, shall be owned and maintained by the Customer.

If service is furnished at the Cooperative's primary line voltage the delivery point shall be the point of attachment of the Cooperative's primary line to the Customer's transformer structure, unless otherwise specified in the contract for service. All wiring, poles, lines and other electric equipment (except metering and load management equipment) on the load side to the delivery point shall be owned and maintained by the Customer.

Primary Service Discount - If service is furnished at primary distribution voltage, a discount of \$.0005 (0.5 mills) per KWH shall apply to the monthly energy charges. The Cooperative shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.

Coordination with Other Load Management Programs - Customer loads utilizing this load management option are not eligible for other load management; reduced rate programs such as, Uncontrolled Electric Heat and controlled water heater discounts. This is necessary as it is not possible to differentiate the supply source between self-generated power and Sioux Valley Energy power.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES:

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT:

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE IRR

IRRIGATION SERVICE

AVAILABILITY

Available for service to irrigation motors subject to the established rules and regulations of the Cooperative.

TYPE OF SERVICE

Single-phase or three phase, 60 cycles at desired secondary voltage, with method of providing the secondary voltage to be determined by the Cooperative.

A. WATER PUMPING SERVICE

Rate

Facility Charge -	\$36.00 per maximum KW per year, plus
Demand Charge-	Full Service: \$21.75 per metered KW per month.
Load Control-	\$9.75 per metered KW per month for the 4 months of June through September, plus
Energy Charge-	\$0.0618 per KWH for first 100 KWH per kW, \$0.0355 per KWH in excess of 100 KWH per KW

Definitions

Maximum KW - is the maximum 30-minute demand measured by demand meter from the previous irrigation season, except: a) for new services where it shall be calculated by multiplying the nameplate horsepower by .746, or b) when less than full system capacity was recorded due to limited use where it shall be based on historical demand readings.

Metered KW - is the maximum 30-minute demand measured by demand meter for the monthly billing period. Meters will be read on or about the 1st of each month of July, August, September and October.

Minimum Annual Charge for Service

The minimum bill for a connected service is the Facility Charge, which is payable by April 10. A \$1.00 per KW late fee will be charged for payments received after May 10. The Facility Charge must be paid each year the service facilities are available, regardless of use or connection date, UNLESS the service is classified as "NOT USED" as described below.

To avoid the Facility Charge, the customer may notify the Cooperative in writing by June 1 that the service will not be used that season. If such notice is received, or if the Facility Charge remains unpaid by June 1, then the service will be classified as "Not Used" for that season, and billed \$21.75 per maximum KW. Services classified as "Not used" shall not be energized for the irrigation season. The "Not Used" charge must be current prior to any future re-connection of the service. To avoid paying the "Not Used" charge, the customer may request removal of the

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Irrigation service. If three irrigation seasons pass by without payment of this charge, the Cooperative shall, at its option, remove its transformer(s), meter, and other facilities installed to serve the irrigation service. A customer requesting reinstallation of these facilities for irrigation service may be required to pay for the total cost of investment needed for reinstallation.

Load Control:

All controlled irrigation systems shall be connected to a load management receiver. Irrigation systems may be controlled during any billing period in the irrigation season (April through October.) Time of occurrence, duration and magnitude of the power supplier's system peak will determine the duration of control. Customers may disable the load control device in order to pump during peak periods. When this occurs, the demand charge shall be computed at the full service rate for the billing period. Customers shall notify the Cooperative when they have disabled a load control device and advise whether or not they desire the device to be reactivated. The Cooperative shall not reactivate disabled load control devices unless specifically requested by the customer.

Terms of Payment:

Facilities Charge: Due April 10, delinquent after May 10 and subject to a \$1.00 per KW late fee.

Not Used Charge: Determined on June 1, due July 15, delinquent after August 1 and subject to a \$1.00 per KW late fee.

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

B. PIVOT DRIVE MOTOR SERVICE

If the Cooperative provides a separate three-phase service to the drive motors on a pivot-type irrigation system, the following rate shall apply.

RATE:

\$879.00 per year plus \$0.08850 per KWH used.

Annual Minimum:

The minimum annual charge shall be \$879.00.

Terms of payment shall be: \$525.00 payable by April 10, \$354.00 payable by August 10, energy use shall be determined through meter readings on or about October 1st, payable by October 10. The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

C. GOLF COURSE AND OTHER NON-CROP SYSTEMS

Where the operating nature of an irrigation system requires significant pumping prior to June 1 and/or before after October 1, the Cooperative shall establish additional monthly meter reading and

billing periods. The rates for any additional billing periods shall be the Demand and Energy charge components of the rate.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

Effective: May 2017

SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE LSE

AVAILABILITY

Available for schools that utilize electricity for all of their power and energy requirements, including heating and cooling, as required, with an annual peak demand of 500 KW or more.

TYPE OF SERVICE

Single-phase or three phase at available secondary voltages.

RATE

Facility Charge - \$1.10 per required KVA per month

Demand Charge - \$14.75 per month of KW of billing demand as recorded, or indicated, on the Cooperative's demand meter

Energy Charge - \$0.0345 per KWH used.

DETERMINATION OF REQUIRED KVA:

The required KVA shall be determined by the customer's actual capacity requirements considering maximum KW demand and power factor. In the case of a single customer receiving service from a transformer installation, standard transformer sizes will be assumed. In the case of shared transformer installations, the standard transformer sizes will be prorated based on the actual capacity requirements of each customer using the transformer installation. When the customer insists on a transformer capacity in excess of the required KVA, the requested and actual installed KVA shall be used to calculate the facility charge.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand recorded, or indicated on the Cooperative's demand meter during any consecutive 30-minute period during the billing period.

PRIMARY METERING DISCOUNT

If service to the customer is metered at primary voltage, the Cooperative shall discount the customer's kilowatt-hour use by two percent.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

AD VALOREM TAX ADJUSTMENT CLAUSE

The above rates reflect the application of a 2% ad valorem tax on gross revenue in lieu of personal property taxes. Any increase in ad valorem taxes over and above the 2% shall be added as a surcharge to the monthly bills of the customer.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

**SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA**

SCHEDULE STANDBY SERVICE RIDER

APPLICATION

The Rider for Standby Service is required for loads on the Sioux Valley Energy system which, under normal circumstances, utilize a power source for their electrical consumption other than one of Sioux Valley Energy. This rate reflects the anticipated cost of providing standby service:

1. The requesting member shall provide documentation to Sioux Valley Energy confirming the maximum capacity and anticipated reliability of the power source for which standby service is required. The member shall also provide documentation to Sioux Valley Energy identifying the maximum capacity Sioux Valley Energy may be required to supply when the member's power source is unavailable. This value, defined as the Requested Standby Capacity, shall not exceed the capacity rating of the member's own power source and shall not be less than the consumer's peak load served by the power source. If these standards are not realized, Sioux Valley Energy may, at its discretion, elect to not provide standby service.
2. The Standby Purchase Application/Agreement shown in Exhibit 1 must be completed and submitted to Sioux Valley Energy for approval.
3. Power production equipment (distributed generation system) at the Customer site shall not operate in parallel with the Cooperative's system until the installation has been inspected by an authorized Cooperative representative and final written approval is received from the Cooperative to commence parallel operation.
4. The minimum term of service taken under this Rider shall be one (1) year or such longer period as may be required under an Electric Service Agreement. Following this initial one-year period, a Customer receiving standby service may terminate standby service and establish service under a firm service tariff schedule within the same time frame as would be required of a new Customer with a similar firm service load. Such time frame may be dependent on the Cooperative's ability to adjust its generation capability, including reserve margin, for the increased firm load due to Customer's selection of firm service from the Cooperative.
5. Energy provided to the Customer under this Rider is limited to energy used during a forced outage or planned maintenance of the Customer's distributed generation system.

Exceptions to this Application include:

- A. Any Customer taking service under Cooperative's Rider for Parallel Generation as established under Minnesota Rules 7835 shall not be required to take service under this Rider for standby services required to temporarily back up distributed generation systems rated at less than 40 kW;
- B. Any Customer taking service under Cooperative's Rider for Distributed Generation Service shall not be required to take service under this Rider for standby services required to temporarily back up distributed generation systems rated at 60 kW or less. However, Cooperative reserves the right to limit the number of Distributed Generation Customers receiving such an exception based on financial considerations.; or

- C. Any Customer, in lieu of service under this Rider, may provide physical assurance to ensure that standby service is not taken. A Customer requesting physical assurance shall agree to furnish and install an approved load limiting device which shall be set and sealed by Cooperative so that Customer's use of service will not exceed Customer's contracted demand. The installed cost of the load limiting device shall be paid by Customer.

DEFINITIONS

Contracted Standby Demand is the quantity specified in Customer's Electric Service Agreement as the maximum amount of firm or non-firm standby service the Cooperative is obligated to supply.

Extended Parallel means the distributed generation system is designed to remain connected with the Cooperative's distribution system for an extended period of time.

Firm Service refers to a utility's most reliable, constant electric service. A utility would interrupt the supply of electricity to a firm service customer only as a last resort.

Non-Firm Service refers to electric service that a utility provides only to the extent that it has capacity not being used to meet the needs of firm-service customers at the moment.

Scheduled Maintenance service is energy, or energy and capacity, supplied by the Cooperative during scheduled maintenance of the Customer's non-utility source of electric energy supply (distributed generation system).

Unscheduled Outage service is energy, or energy and capacity, supplied by the Cooperative during unscheduled outages of the Customer's non-utility source of electric energy supply (distributed generation system).

All other definitions shall be as described in Cooperative's *Distributed Generation Interconnection Requirements* and *Interconnection Process for Distributed Generation Systems*.

CHARGES FOR SERVICE

The following Reservation and Usage Fees are applicable in addition to all charges for service being taken under Cooperative's base rate schedule: The base rate schedule will be based on required kVA of transformer in determining whether the base rate schedule is general service or large power. This standby rider will be charged in addition to the base rate schedule.

Reservation Fees

Charges as specified below for the reservation of either Firm or Non-Firm generation, transmission and distribution service per Month per kW will each be applied to the Customer's Standby Demand as specified in Standby Purchase Application with Sioux Valley Energy.

Rate to be used when customer has paid the standard contribution-in-aid towards the cost of constructing as per Sioux Valley Energy Management Operating Procedure 2-M-103:

	Firm Service (\$ per kW)	Non-Firm Service (\$ per kW)
Generation	*	**
Transmission	*	**
Distribution	\$5.50	\$5.50

Rate to be used when customer has paid 100% of the contribution-in-aid towards the cost of constructing the electric service:

Firm Service	Non-Firm Service (\$ per kW)	(\$ per kW)
Generation	*	**
Transmission	*	**
Distribution	\$4.50	\$4.50

* Firm Standby Service generation and transmission Reservation Fees will be billed under the rates, terms and conditions of the Cooperative's wholesale power supplier.

** Non-Firm Standby Service generation and transmission Reservation Fees will be billed under the rates, terms and conditions of the Cooperative's wholesale power supplier.

Usage Fees

Demand Charge

If Customer registers electrical usage from Cooperative during a billing month, then such usage may result in demand charges which may vary between Customers contracting for Firm Standby Service or Non-Firm Standby Service.

If usage of a firm standby Customer results in wholesale capacity charges to Cooperative, then the metered demand of such usage will be charged at the demand rate as contained in the base tariff to which this Rider is attached minus the applicable Reservation Fees paid by Customer during such billing month. The reduction in the base tariff billing demand will be provided up to the amount of Contracted Standby Demand. Any metered demand for Customer electrical usage from Cooperative that exceeds the Contracted Standby Demand level will be billed at the full demand rate specified in the base tariff. In addition, Customer's Contracted Standby Demand will be adjusted as specified in the Billing Demand clause of this Rider. If Customer registers electrical usage from Cooperative during a billing month that also coincides with the Cooperative's wholesale power supplier's applicable billing peak, then additional demand charges may be applied by Cooperative to ensure that Customer fully compensates Cooperative for such wholesale power costs.

Power may not be available when needed for a non-firm standby Customer. If power is available and usage of a non-firm standby Customer results in wholesale capacity charges to Cooperative, then the metered demand of such usage will be charged at no

less than the demand rate as contained in the base tariff to which this Rider is attached minus the applicable Reservation Fees paid by Customer during such billing month. (Any higher demand charges for non-firm demand use will reflect higher wholesale demand costs incurred to provide such service.) The reduction in the base tariff billing demand will be provided up to the amount of Contracted Standby Demand. Any metered demand for Customer electrical usage from Cooperative that exceeds the Contracted Standby Demand level will be billed at the full demand rate specified in the base tariff. In addition, Customer's Contracted Standby Demand will be adjusted as specified in the Billing Demand clause of this Rider. If Customer registers electrical usage from Cooperative during a billing month that also coincides with the Cooperative's wholesale power supplier's applicable billing peak, then additional demand charges may be applied by Cooperative to ensure that Customer fully compensates Cooperative for such wholesale power costs.

Energy Charge

Energy actually used by a firm standby Customer under this Rider will be charged at the same energy rate as contained in the base tariff to which this Rider is attached.

If energy is available for a non-firm standby Customer, then energy actually used under this Rider will be charged at no less than the energy rate contained in the base tariff to which this Rider is attached. Any higher energy charges for non-firm energy use will reflect higher wholesale energy costs incurred to provide such energy.

Rate Adjustments

Bills shall be subject to all adjustments applicable to the base schedule to which this Rider is attached.

BILLING DEMAND

The Customer shall contract for a specific kilowatt demand of standby service sufficient to meet the Customer's requirements when the distributed generation system is not being operated. In the event the Contracted Standby Demand is exceeded in any month by a higher billing demand, such higher demand shall be considered as the new billing demand for the month. The billing demand for Reservation Fees thereafter shall be not be less than the newly established billing demand for the remainder of the contract. Such adjustment of billing demand applicable to Reservation Fees will recognize circumstances where on-going firm service is being provided in addition to standby service.

STRANDED INVESTMENT

Any Customer who installs load limiting equipment to ensure that standby service is not taken (physical assurance) and does not intend to deliver power into the distribution system will have the option of making a lump sum payment to Cooperative for stranded distribution investment. If such lump sum payment is not made, then Customer will be subject to distribution standby charges based on Customer's typical demands incurred prior to requesting physical assurance status.

BILLING AND TERMS OF PAYMENT

Billing and terms of payment shall be governed as set forth in the Cooperative's applicable base rate schedule.

TERMS AND CONDITIONS OF SERVICE

1. The Customer shall execute a Standby Purchase Application/Agreement with the Cooperative which shall specify:
 - a. Standard rate schedule (to which this Rider is attached);
 - b. Contracted Standby Demand;
 - c. Generator Nameplate Rating; and
 - d. Type of Standby Service (firm or non-firm).
2. Service hereunder is subject to Cooperative's *Interconnection Process for Distributed Generation Systems* and *Distributed Generation Interconnection Requirements* as may be modified from time-to-time.
3. Cooperative will install all metering equipment necessary to monitor services provided to ensure adequate measurements are obtained to support necessary application of charges. Customer will be charged an up-front lump sum for the installed cost of such metering equipment and expected future operation and maintenance expenses for this metering equipment.
4. The Customer shall make provision for on-site metering. All energy received from and delivered to the Cooperative shall be separately metered. The Cooperative may require metering of the generation output.
5. The Customer shall pay for all interconnection costs incurred by the Cooperative made necessary by the installation of the distributed generation system.
6. The Cooperative reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Cooperative's equipment or with the equipment of other Cooperative Customers.
7. The Cooperative shall not be obligated to supply standby service for a Customer's load in excess of the capacity for which Customer has contracted.
8. The Customer shall be liable for all damages or costs caused by Customer's use of power in excess of contracted for capacity.
9. Cooperative may require Customer to furnish and install an approved load limiting device which shall be set and sealed by Cooperative so that the Customer's use of service will not exceed the number of kilowatts contracted for by Customer.
10. The Customer shall annually furnish documentation to the Cooperative confirming the maximum capacity and reliability of the power source for which the Customer requires Standby Service.
11. Cooperative and Customer will coordinate the planning and determining of a schedule for performance of periodic maintenance of Customer's facilities, such maintenance shall be scheduled to avoid wholesale power billing costs or as agreed upon in the contract. Cooperative will require the Customer to provide reasonable notice of its proposed schedule for maintenance. The duration of the agreed maintenance schedule may thereafter be extended only with the consent of the Cooperative in response to Customer's request received prior to the end of the maintenance period.
12. The Cooperative reserves the right to establish a minimum charge in order to recover the costs of facilities required to serve such load. Said charge shall be specified in the Electric Service Agreement.
13. Cooperative may be reimbursed by the Customer for costs which are incurred, or which have been previously incurred, in providing facilities which are used principally or exclusively in supplying service for any portion of the Customer's requirements which are to be normally supplied from a source of power other than the Cooperative's electric system.

14. All electricity delivered shall be for the exclusive use of the Customer and shall not be resold.
15. Customer shall indemnify Cooperative against all liability which may result from any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, or operation of the co-generation facility or by any related act or omission of the Customer, its employees, agents, contractors or subcontractors.

Effective May 2017

Sioux Valley Energy

STANDBY PURCHASE APPLICATION/AGREEMENT

EXHIBIT I

_____ (name of member) hereby requests the following purchase of Standby power supply and agrees to each of the conditions in the Standby Service Rider Rate.

Location: _____

Requested Standby Capacity _____ (kW) (Shall not exceed the capacity rating of the members own power source, nor shall be less than the consumer's load served by the power source).

Maximum Capacity of Main Power Source _____ (kW).

Type of Standby Capacity: Firm Non-Firm

Requested Standby Term (Commitment Term): Month _____, Year _____ through
Month _____, Year _____

Base Rate: _____

Type and Description of Facility (describe in detail): _____

Signature _____ Date _____

Title _____

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE EH

ELECTRIC HEATING SERVICE AND/OR CONTROLLED COOLING SERVICE

AVAILABILITY

Electric Heat Rate: Available through application to residential and commercial customers for use in approved electric heat systems recorded by the meter readings occurring in the months of January, February, March, April, October, November, and December, subject the established rules and regulations of the Cooperative.

**Controlled Cooling Rate: **This rate is closed and no longer available. Existing accounts sub metered prior to January 1, 2010 will continue to be allowed this rate for use when the primary heating source is electric with controlled central air conditioning, subject to the established rules and regulations of the Cooperative and approval by Cooperative.

RATE

Energy Charge

\$0.0605 per KWH metered separately on a KWH submeter connected to the electric heating.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE WH

CONTROLLED OFF PEAK WATER HEATING RATE
CONTROLLED CENTRAL AIR CONDITIONING RATE

AVAILABILITY

Available to residential and commercial customers for electric water heaters and/or central air conditioners equipped with approved load management devices, subject to the established rules and regulations of the Cooperative.

RATE

- 1) Existing Electric Water Heaters will receive credit of \$6.00 per billing period. This credit will be applied to the customer's bill at the end of each monthly period. No credit will be allowed for a partial month. A minimum of 300 KWH must be used per month.
- 2) Water heaters purchased from Sioux Valley Energy after January 1, 2016 are not eligible for the \$6.00 monthly credit. The credit is received up front with the discount given in the purchase price of the water heater.
- 3) Water heaters installed in conjunction with new electric heating systems and controlled central air conditioning as of October 18, 1999 and December 31, 2009, will receive the electric heat rate as per schedule EH. (This rate is no longer available.)
- 4) Central Air Conditioners under load management will receive credit of \$6.00 per billing period during the months of May, June, July, August, and September. No credit will be allowed for a partial month. A minimum of 300 KWH must be used per month.

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any there non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE YL

AUTOMATIC SECURITY LIGHTING SERVICE

AVAILABILITY

Available for dusk-to-dawn lighting on an automatically controlled basis, with electrical energy furnished, either by the Cooperative or the customer, dependent upon the location of the light and the wishes of the customer.

TYPE OF SERVICE

High pressure sodium lighting served at single-phase, 60 cycle, 120 or 240 volts. Lights to be installed by Cooperative on an existing pole or suitable structure with 30" mast arm and photoelectric control.

RATE

YL-1 Automatic light owned, installed, and maintained by the Cooperative, plus electric energy furnished by the Cooperative

70 Watt	\$ 12.78
150 Watt	\$19.97

YL-3 Automatic light owned, installed, and maintained by the Cooperative, electric energy furnished by the customer. Can have a switch at owner's expense.

70 Watt	\$6.39
150 Watt	\$8.39

YL-5 Automatic light owned, installed and maintained by the Cooperative on an existing primary pole. Electric energy and transformer included.

70 Watt	\$15.97
150 Watt	\$23.96

WHOLESALE POWER ADJUSTMENT CLAUSE

If the Cooperative's average cost of wholesale power for the 12 months following the effective date of this rate shall vary more than 0.5 of a mill from the previously forecasted average wholesale power cost, a corresponding increase, or decrease, may be applied to the rates hereunder.

STATE AND MUNICIPAL TAXES

Monthly bills determined by the application of the above rates shall have added to them applicable state and municipal sales taxes and any other non ad valorem taxes imposed on electric energy sales and earnings.

TERMS OF PAYMENT

The billing dates and collection policies applicable to this rate schedule are contained in the Cooperative's policy manual. A copy is available upon request.

Effective: May 2017

**SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA**

SCHEDULE PURPA

PUBLIC UTILITY REGULATORY POLICY ACT (PURPA) AVOIDED COST RATE

The Public Utility Regulatory Policies Act (PURPA) requires that electric utilities must purchase power produced from Qualifying Facilities (QF's) at their avoided cost.

Sioux Valley Energy designates and reaffirms that its avoided cost shall be Basin Electric's avoided cost.

To be eligible for the following rate, the requesting party must comply with all applicable laws and regulations as well as any requirements of Basin Electric, East River Electric or L& O Power, whichever is applicable, and Sioux Valley Energy.

For a QF with a capacity rating starting at 0 kW up to the applicable PURPA limits, Sioux Valley Energy's PURPA avoided cost rate is as follows:

(Basin PURPA rate) X (loss adjustments)

The loss adjustments will be determined on a case-by-case basis.

Effective: February 2017

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE CWG

CONSUMER ENERGY GENERATION RATE (***Closed to new applications*****)**

The purpose of this rate is to implement the Basin Electric Consumer Energy Purchase Rate, and to establish the qualification criteria and rate for the delivery and purchase of energy from qualified commercial size customer-owned generation facilities located on the customer's distribution system.

Commercial Energy Generation Rate

- A. Eligibility: Customers are eligible for the Consumer Energy Purchase Rate provided the following requirements are satisfied:
1. The consumer energy generation must be owned by the customer, directly connected to the distribution system, and be within the WAPA control area and directly served from the Integrated System.
 2. The total generator nameplate capacity of the energy generator(s) qualifying for this rate may not be less than 150 kW, nor exceed a total of 5,000 kW for a single site.
 3. Energy purchased under this rate may not also receive payment under the Public Utility Regulatory Policies Act (PURPA) Avoided Cost Rate.
 4. The customer shall be responsible for all interconnection, metering, and other costs associated with the energy generation in order to meet the requirements of this rate and to connect the generation to the cooperative's distribution system.
 5. At the time of rate application, the customer shall make a one-time election to retain the environmental attributes (Renewable Energy Credits) or convey them to Basin Electric. If the customer chooses to retain the Renewable Energy Credits, the Renewable Energy Payment rate shall be reduced by 1.00 mills/kWh.
 6. If the consumer conveys the renewable energy credits to Basin Electric, the owner or operator of the generator shall annually provide a completed signed copy of a Renewable Energy Certificate.
 7. A Consumer Energy Generation Rate Application must be completed and executed for each energy facility. The use of this rate and the qualification term for each energy purchase is subject to prior review and approval by the cooperative, East River or L & O Power, and Basin Electric.
 8. All of the energy output produced by the facility shall be delivered to the cooperative and purchased under this rate. None of the energy generated at the site may be used by the customer.

9. The owner or operator of the generator shall hold Basin Electric, East River or L & O Power, and Sioux Valley Energy harmless from any liability arising out of the operation of the generation.
 10. The application of this rate and purchase of energy must be allowed by state law, without subjecting Basin Electric, East River or L & O Power, Sioux Valley Energy or the customer to additional regulation and/or obligation.
 11. All other criteria of the Basin Electric Consumer Energy Purchase Rate and the East River or L & O Power, and Sioux Valley Energy power requirements must be met.
- B. Availability: This rate shall be available to each customer for providing service to any qualifying end user and shall be eligible for the rate until the termination of the Basin Electric Consumer Energy Purchase Rate or the termination of this rate by East River or L & O Power, or Sioux Valley Energy Board action. Also, this rate shall only be available to the extent Basin Electric is purchasing renewable energy under its Consumer Energy Purchase Rate which is limited to an estimated total of 40,000 MWh per year. Once a facility has been qualified and accepted, it shall continue to receive the rate for the Commitment Term defined in Exhibit I.
- C. Commitment Term: The commitment term shall not extend beyond 2020.
- D. Rate: The cooperative will pay the customer at a rate equal to Basin Electric's Consumer Energy Purchase Rate for all energy delivered to the distribution system. The cooperative shall pass through 100% of the energy payment to the customer. For facilities that qualify and commit to this rate in 2017, the following payment schedule will be used for the commitment term. The commitment term shall be specified in Exhibit I.

COMMERCIAL ENERGY GENERATION RATE

	Payment Including Renewable Energy Credits <u>Mills/kWh</u>	Payment Excluding Renewable Energy Credits <u>Mills/kWh</u>
<u>Year</u>		
2017	27.00	26.00

- E. Billing:
1. The payment to the customer associated with energy purchases under this rate shall not be considered in determining the customer's patronage allocation.
 2. The customer owned generation purchased under this rate shall be added to the customer's monthly demand and energy deliveries prior to determining the customer's total billing.
- F. Metering and Data Requirements:
1. The customer shall be responsible for all metering and data acquisition costs.

2. Thirty-minute time registration demand and energy metering must be installed for all facilities under this rate. Metering must be able to be remotely read in a MV90 compatible format.
3. The metering shall be such that all power from the generation facilities delivered to the grid is metered separately from power delivered from cooperative to the customer. The meters shall be tested and calibrated as per the cooperative's specifications.
4. Any generation facility with a nameplate rating of 750 KW or larger shall provide continuous real time generation data to the cooperative and others requiring the data.
5. In the event of a metering equipment malfunction, the amounts of power and energy delivered shall be determined solely by the cooperative using the best available information.

G. Interconnection Provisions:

1. Interconnection of the project to the electrical grid shall be the responsibility of the Generator. To qualify for this rate, all governmental, regulatory and electrical grid transmission provider requirements must be met. At the Generator's request and expense, the cooperative will arrange for the necessary applications, presentations, and engineering transmission studies to apply for interconnection approvals. Such service will be performed at cost, with no markup. Prepayment of estimated costs shall be required, with a final adjustment of actual costs debited or credited at the completion of the interconnection request process. Basin Electric, East River or L & O Power, and Sioux Valley Energy shall exert a good faith and diligent effort to obtain electrical grid interconnection approvals, but shall be held harmless for any actions or failure related to such action.
2. The total rated capacity of energy facilities interconnected behind a cooperative delivery point shall not exceed the cooperative's projected minimum load for that delivery point.

Effective: January 2018

Sioux Valley Energy
Consumer Energy Generation Rate

EXHIBIT I

CONSUMER ENERGY PURCHASE APPLICATION

_____ (name of cooperative) hereby requests qualification of the following purchase for the Consumer Energy Generation Rate in effect on the date of qualification and agrees to each of the conditions in the Rate:

Owner of the Energy Project:

Total nameplate rating of facilities qualified under this rate at single site: _____ (kW)

Environmental Attributes: Retain Convey to Basin Electric

Facility: Wind Solar Hydro

Qualification Term (Commitment Term): Month _____, Year _____ through
Month _____, Year _____

Applying for Minnesota Community-Based Energy Development (CBED) Rate: Yes

Location: _____

Type and Description of Facility (describe in detail): _____

Signature

Date

Title

Sioux Valley Energy
Consumer Energy Generation Rate

EXHIBIT II

RENEWABLE ENERGY CERTIFICATE

_____ (Seller) hereby sells and conveys title, possession and all rights, including all environmental attributes (Renewable Energy Credits) related to electrical power and energy; and sold and delivered to Basin Electric by the Seller. Any energy delivered under this certification shall have been produced by the Seller's energy facility located at _____.

The Seller warrants that the Renewable Energy Credits or any related environmental attributes, transferred hereunder, have not otherwise been, nor will be, sold, retired, claimed or represented as part of electricity output or sales, or used to satisfy obligations in any other jurisdiction.

Seller further warrants that all energy produced by the above energy facility was accurately metered and delivered to Basin Electric and that none of the energy produced by the facility was sold to others or used to support Seller's other facilities or electrical needs.

Signed: Facility Owner _____ Date: _____

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE SRE
SCHEDULE CBED

SMALL RENEWABLE ENERGY GENERATION RATE ** Closed to new applications**

MINNESOTA COMMUNITY-BASED ENERGY DEVELOPMENT (CBED) RATE

The purpose of this rate is to implement the Basin Electric Small Renewable Energy Purchase Rate and establish the qualification criteria and rate for all customers for the delivery and purchase of renewable energy from qualified small consumer-owned renewable generation facilities located on the cooperative's distribution system.

- A. Eligibility: All customers are eligible for the Small Renewable Energy Generation Rate provided the following requirements are satisfied:
1. The small renewable energy generation must be owned by the customer, be directly connected to the cooperative's distribution system, and be within the WAPA control area and directly served from the Integrated System.
 2. The total generator nameplate capacity of the renewable energy generator(s) must be less than 150 kW for a single site.
 3. Renewable energy purchased under this rate may not also receive payment under the cooperative's Public Utility Regulatory Policies Act (PURPA) Avoided Cost Rate.
 4. The customer shall be responsible for all interconnection, metering, and other costs associated with the small renewable energy generation in order to meet the requirements of this rate and to connect the small renewable generation to the cooperative's distribution system.
 5. At the time of rate application, the customer shall make an election to retain the environmental attributes (Renewable Energy Credits) or convey them to Basin Electric. This election shall be for the commitment term specified in Exhibit I. If the customer chooses to retain the Renewable Energy Credits, the Energy Payment rate shall be reduced by 5.00 mills/kWh.
 6. Exhibit I must be completed and executed for each renewable energy facility. The use of this rate and the qualification term for each renewable energy purchase is subject to prior review and approval by Sioux Valley Energy, East River or L & O Power and Basin Electric.
 7. Only renewable energy delivered to the cooperative's distribution system will qualify for this rate. Renewable energy generated and used on the customer's site shall be excluded from this rate.
 8. The owner or operator of the renewable generator shall hold Basin Electric, East River or L & O Power, and Sioux Valley Energy harmless from any liability arising out of the operation of the renewable generation.

9. The application of this rate and purchase of renewable energy must be allowed by state law, without subjecting Basin Electric, East River, L & O Power, Sioux Valley Energy or the customer to additional regulation and/or obligation.
 10. All other criteria of the Sioux Valley Energy Small Renewable Energy Purchase Rate must be met.
- B. Availability: This rate shall be available to any qualifying end user and shall be eligible for the rate until the termination of the Basin Electric Small Renewable Energy Purchase Rate or the termination of this rate by East River, L & O Power, or Sioux Valley Energy Board action. Also, this rate shall only be available to the extent Basin Electric is purchasing renewable energy under its Small Renewable Energy Purchase Rate which is limited to an estimated total of 4,000 MWh per year as projected by Basin Electric. Once a facility has been qualified and accepted, it shall continue to receive the rate for the Commitment Term defined in the Renewable Energy Purchase Application.
- C. Commitment Term: The commitment shall be as stated in Exhibit I. The Commitment Term shall not exceed five (5) years.
- D. Rate: For facilities that qualify and commit to this rate in 2016, the Small Renewable Energy Generation Rate for all energy delivered to the customer's distribution system shall be:

50.00 mills/kWh, with renewable energy credits, or
45.00 mills/kWh without renewable energy credits.

The above rates shall apply for the commitment term specified in Exhibit I.

The cooperative shall pass through 100% of the renewable energy payment on to the owner or operator of the renewable energy generator.

- E. Billing:
1. Any payments to the customer associated with renewable energy purchases under this rate shall not be considered in determining the customer's patronage allocation.
 2. Payment for the purchase of Renewable Energy shall be in the form of a credit on the customer's monthly power bill.
 3. Thirty-minute time registration demand metering must be installed for all facilities 50 kW and larger. Energy metering shall be required for all facilities. The metering shall be such that all power delivered to the grid (net of the customer's use) from the customer-owned generation shall be metered separately from power delivered from the cooperative to the customer. The meter measuring power delivered to the customer shall not permit reduction of measured power already delivered to the customer during periods when the renewable energy generation exceeds the customer's demand (the meter may not run backwards). The metering shall be tested and calibrated as per the cooperative's specifications.

4. In the event of a metering equipment malfunction, it will be assumed that no customer-owned renewable energy was provided to the electrical grid during the period of the equipment malfunction or failure.

Community Based Energy Development Rate (CBED Rate) (Minnesota only)

1. The State of Minnesota, in 2005, enacted legislation that requires electric utilities to consider community based energy projects when seeking to add wind generation to its supply mix. This legislation also requires utilities to develop and offer Community Based Energy Development (CBED) Rates. The following relates only to those entitled as “Qualifying Owner” per Minnesota Statutes 2005, 216B.1612.
2. Qualifying Owners seeking to use this CBED Rate shall be required to meet all qualifications specified in the above referenced Statute. If the requirements of the Statute are subsequently repealed or found to be non-constitutional, any agreements executed under this Rate shall be null and and the cooperative shall have no further obligation under this CBED Rate.
3. The total wind purchased under this CBED Rate shall not exceed 20 MW of project nameplate capacity.
4. The term of the power purchase agreement under this CBED Rate shall be 20 years.
5. CBED Energy Payment: For generation qualifying for this Rate in 2017, the cooperative will pay the customer at the following payment schedule. This schedule is subject to future revision by Sioux Valley Energy Board of Directors; however, purchase agreements established under this Rate will receive payment for the term of that agreement in accordance with the payment schedule in effect on the date the contact was established.

CBED RATE

<u>Years</u>	<u>Payment Including Renewable Energy Credits (mills/kWh)</u>
2017 through 2026	28.00
2027 through 2036	25.50

6. Financial Security: The CBED Qualifying Owner shall provide a performance bond or other financial security acceptable to the cooperative to guarantee performance of the project over the full 20 years. At a minimum, the bond or financial security shall provide for payments to the cooperative in an amount equal to the average market rate for energy (as determined by Sioux Valley Energy), less the rate specified for the remaining term of the 20-year contract; such payment shall not be less than zero.
7. The CBED Qualifying Owner shall be responsible for all transmission and distribution interconnection requirements and all costs and risks arising there from.

8. To the extent they are not contrary; all other provisions of the Consumer Energy Generation Rate shall apply to any agreements executed under this CBED Rate.

Effective: January 2017

Sioux Valley Energy

Small Renewable Energy Generation Rate

EXHIBIT I

RENEWABLE ENERGY PURCHASE APPLICATION

_____ (name of customer) hereby requests qualification of the following purchase for the Small Renewable Energy Generation Rate in effect on the date of qualification and agrees to each of the conditions in the Rate:

Name of Owner and Address of the Renewable Energy Project:

_____.

Total nameplate rating of renewable energy facilities qualified under this rate at single site: _____ (kW)

Qualification Term (Commitment Term): Month _____, Year _____ through
Month _____, Year _____

Environmental Attributes: Retain Convey to Basin Electric

Location: _____

Type and Description of Facility (describe in detail): _____

Signature

Date

Title

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE MNREN

MINNESOTA RENEWABLE ENERGY RATE UNDER 40 KW

The purpose of this rate is to establish the qualification criteria and rate for all Minnesota customers for the delivery and purchase of renewable energy from qualified small customer-owned renewable generation facilities located on the cooperative's Minnesota distribution system that have a capacity less than 40 KW.

- A. Eligibility: All Minnesota customers are eligible for the Small Renewable Energy Generation Rate provided the following requirements are satisfied:
1. The small renewable energy generation must be owned by the customer, and be directly connected to the cooperative's distribution system.
 2. The total generator nameplate capacity of the renewable energy generator(s) must be less than 40 kW for a single site.
 3. Renewable energy purchased under this rate may not also receive payment under the cooperative's Public Utility Regulatory Policies Act (PURPA) Avoided Cost Rate.
 4. The customer shall be responsible for all interconnection, metering, and other costs associated with the small renewable energy generation in order to meet the requirements of this rate and to connect the small renewable generation to the distribution system.
 5. Exhibit I must be completed and executed for each renewable energy facility. The use of this rate and the qualification term for each renewable energy purchase is subject to prior review and approval by the cooperative.
 6. The qualifying owner must provide proof of coverage of liability insurance annually in the amount of \$300,000 as a condition of service.
 7. The owner or operator of the renewable generator shall hold Sioux Valley Energy harmless from any liability arising out of the operation of the renewable generation.
 8. All other criteria of the Small Renewable Energy Purchase Rate must be met.
- B. Net Energy Billing Rate:
1. The net energy billing rate is available only to qualifying facilities with capacity of less than 40 KW which choose not to offer electric power for sale on either a time-of-day basis or a simultaneous purchase and sale basis.
 2. The cooperative will bill the customer for the excess of energy supplied by Sioux Valley Energy above energy supplied by the customer during each billing period according to the applicable retail rate schedule for the customer.

Current Average Retail Rate by Class:

Rural Residential	0.0912
Residential	0.0855
Irrigation	0.0500
General Service	0.0916
Commercial & Industrial < 1000 kvA	0.0331
Commercial & Industrial > 1000 kvA	0.0351

Average retail rate is defined as the number of the total annual class revenue from sales of electricity minus the annual revenue resulting from fixed charges, divided by the annual class kilowatt-hour sales. Data used to calculate these rates are from the previous calendar year.

C. Billing:

1. Any payments to the customer associated with renewable energy purchases under this rate shall not be considered in determining the customer's patronage allocation.
2. Payment for the purchase of Renewable Energy shall be in the form of a credit on the customer's monthly power bill or paid by check to customer within 15 days of the billing date, whichever is specified in contract by the customer.
3. In the event of a metering equipment malfunction, it will be assumed that no consumer-owned renewable energy was provided to the electrical grid during the period of the equipment malfunction or failure.

Revised: March 2018

SIOUX VALLEY ENERGY

EXHIBIT 1

**UNIFORM STATEWIDE CONTRACT
For
COGENERATION OR SMALL POWER PRODUCTION FACILITIES**

THIS CONTRACT is entered into _____, 20__ by Sioux Valley Energy (hereafter called "Cooperative") and _____ (hereafter called "QF").

RECITALS

The QF has installed electric generation facilities consisting of

(description of facilities), rated at less than 40 kilowatts of electricity, on property located at:
_____.

The QF is prepared to generate electricity in parallel with the Cooperative.

The QF's electric generating facilities meet the requirements of the Minnesota Public Utilities Commission (hereafter called "Commission") rules on Cogeneration and Small Power Production and any technical standards for interconnection the Cooperative has established that are authorized by those rules.

The Cooperative is obligated under Federal and Minnesota law to interconnect with the QF and to purchase electricity offered for sale by the QF.

A contract between the QF and the Cooperative is required by the Commission's rules.

AGREEMENTS

The QF and the Cooperative agree:

1. The Cooperative will buy electricity from the QF under the current rate schedule in force for the class of customer to which the QF belongs.
2. The Cooperative will buy electricity from the QF under the current rate schedule filed with the Commission. The QF has elected the rate schedule Category hereinafter indicated (select one):

- ___ A. Net energy billing rate under Part 7835.3300
- ___ B. Simultaneous purchase and sale billing rate under Part 7835.3400.
- ___ C. Time-of-day purchase rates under Part 7835.3500.

A copy of the presently filed rate schedule is attached to this contract.

3. The rates for sales and purchases of electricity may change over the time this contract is in force, due to action of the Cooperative or of the Commission, and the QF and the Cooperative agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.
4. The Cooperative will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF will be made under one of the following

options as chosen by the QF:

- ____ 1. Credit to the QF's account with the Cooperative.
- ____ 2. Paid by check to the QF within 15 days of the billing date.

5. The QF must operate its electric generating facilities within any rules, regulations and policies adopted by the Cooperative not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, Part 7835.4800, 7835.5800 and 7835.4500 and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.
6. The Cooperative's rules, regulations and policies must conform to the Commission's rules on Cogeneration and Small Power Production.
7. The QF will operate its electric generating facilities so that they conform to the national, state and local electric and safety codes, and will be responsible for the costs of conformance.
8. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$_____. The QF will pay the Cooperative in this way:

_____.
9. The QF will give the Cooperative reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Cooperative side of the interconnection. If the Cooperative enters the QF's property, the Cooperative will remain responsible for its personnel.
10. The Cooperative may stop providing electricity to the QF during a system emergency. The Cooperative will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.
11. The Cooperative may stop purchasing electricity from the QF when necessary for the Cooperative to construct, install, maintain, repair, remove, investigate or inspect any equipment or facilities within its electric system. The Cooperative will notify the QF before it stops purchasing electricity in this way:
_____.
12. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection and operation of its electric generating facilities. The amount of insurance coverage will be \$_____. (The Cooperative may not require an amount greater than \$_____).
13. This contract becomes effective as soon as it is signed by the QF and the Cooperative. This contract will remain in force until either the QF or the Cooperative gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.
14. This contract contains all the agreements made between the QF and the Cooperative except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject matter of this contract. The QF and the Cooperative are not responsible for any agreements other than those stated in this contract.

THE QF AND THE COOPERATIVE HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

QF

COOPERATIVE

BY: _____

BY: _____

Title

SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA

SCHEDULE BLDG

BASE LOAD DISTRIBUTED GENERATION RATE

The purpose of this rate is to implement the Sioux Valley Energy Distributed Generation Purchase Rate for base load generation and establish the qualification criteria and rate for all Sioux Valley Energy customers for the delivery and purchase of energy from base load distributed generation located on the cooperatives Distribution system.

- A. Eligibility: All Sioux Valley Energy customers are eligible for the Base Load Distributed Generation Rate provided the following requirements are satisfied:
1. The distributed generation must be owned by the customer, directly connected to the cooperative's distribution system, and be within WAPA control area and is directly served from the Integrated System in order to be eligible for the rates provided herein.
 2. The distributed generation must have a committed output level of not less than 150 kW and not more than 5 MW.
 3. The distributed generation cannot be operated in conjunction with the Sioux Valley Energy load management system.
 4. The customer shall be responsible for all interconnection, metering, remote control and monitoring, and other costs associated with the distributed generation in order to meet the requirements of this rate and to connect the distributed generation to the distribution system, unless otherwise agreed between Sioux Valley Energy and the customer.
 5. The attached Base Load Distributed Generation Purchase Application (Exhibit I) must be completed and executed for each distributed generation facility.
 6. At the time of rate application, the customer shall make an election to retain the environmental attributes (Renewable Energy Credits) or convey them to the cooperative. This election shall be for the commitment term specified in Exhibit I. If the customer chooses to retain the Renewable Energy Credits, the Energy Payment rate shall be reduced by 1.00 mills/kWh.
 7. If Renewable Energy Credits are conveyed to the cooperative, the customer shall annually provide a completed, signed copy of Exhibit II, Renewable Energy Certificate to the cooperative prior to receiving any payments.
 8. The cooperative shall have the exclusive right to receive the electrical output of the base load distributed generation. The base load distributed generation is expected to operate on a continuous basis. Remote monitoring and control requirements will be mutually agreed to by Basin, East River or L & O Power, and the cooperative.
 9. The distributed generation may be operated for emergency purposes when power deliveries from the electrical grid are unavailable.

10. The distributed generation must be operated interconnected with the electrical grid. In order to operate interconnected with the electrical grid, the distributed generation is subject to meeting all applicable interconnection approvals and requirements. The owner or operator of the distributed generation will be responsible for the costs associated with the application, study and approval process to obtain approval for interconnection and transmission service, unless otherwise agreed between Sioux Valley Energy and the customer.
 11. This rate will be made available only to the extent the cumulative capacity rating of all existing distributed generation purchased by Basin Electric under the Basin Electric Distributed Generation Rate does not exceed 10,000 kW
 12. The owner or operator of the distributed generation shall hold Basin Electric, East River, L & O Power, and the cooperative harmless from any liability arising out of the operation of the distributed generation.
 13. The use of this rate, the committed output level, and qualification term for each distributed generation purchase is subject to prior review and approval by Sioux Valley Energy, East River or L & O Power and Basin Electric.
 14. All other criteria of the Basin Electric Distributed Generation Purchase Rate are met.
- B. Availability: This rate shall be available to the customer until termination of the Basin Electric Distributed Generation Purchase Rate or the termination of this rate by East River, L & O Power or Sioux Valley Energy Board action.
- C. Term:
1. Not less than 60 days prior to the first Season, the distributed generation output must be committed for the entire Commitment Term as stated in Exhibit I. The minimum and maximum commitment terms shall coincide with the Basin Electric distributed generation purchase offerings. The distributed generation output must be constant for all months of the Commitment Term.
 2. A Season shall be defined as the periods between May 1 through October 31, inclusive, (Summer Season); or November 1 through April 30, inclusive (Winter Season).
- D. Rate: Rates for distributed generation payments will be indexed to the Basin Electric Distributed Generation Purchase Rate. Payments to the owner-operator of the base load generation will be made on terms mutually agreed upon between Sioux Valley Energy and the customer. These terms will be defined in a written agreement between Sioux Valley Energy and the customer.
1. Capacity Payment:
There shall be no capacity payment under this rate.
 2. Energy Payment:
The Base Load Energy Payment for 2018 will be 29.0 mills/KWH including Renewable Energy Credits or 28.0 mills/KWH excluding Renewable Energy Credits.

3. A qualifying distributed generation project has a one-time option per Exhibit 1 to either a) receive the Base Load Energy Payment Rate as it may change over the time of the commitment term, or b) lock in the Base Load Payment Rate in effect at the time of application. For periods committed to beyond 2018, the Base Load payment rates shall be escalated at 1.5% per year.

E. Billing:

1. The payment to the customer associated with the distributed generation purchases under this rate shall not be considered in determining the customer's patronage allocation.
2. The distributed generation purchased under this rate shall be added to the customer's monthly demand and energy deliveries prior to determining the customer's total billing.
3. Thirty-minute time registration demand metering shall be installed that meters the distributed generation output. The metering shall be MV90 compatible. The necessary communications equipment shall be installed so the metering can be remotely read. The meters shall be tested and calibrated as per Sioux Valley Energy specifications.
4. The meter readings shall be adjusted to the cooperative side of the distributed generation transformers.
5. In the event of a metering equipment malfunction, Basin Electric shall determine the billing meter quantities.

- F. Review: This Rate shall be reviewed at least annually.

Effective: January 2018

EXHIBIT I

BASE LOAD DISTRIBUTED GENERATION PURCHASE APPLICATION

_____ (name of customer) hereby requests qualification of the following purchase for the Distributed Generation Purchase Rate in effect on the date of qualification and agrees to each of the conditions in the Distributed Generation Rate:

Name of Owner of the Distributed Generation Project:

Committed Output Level, or Accreditable Interconnected Capacity: _____kW

Qualification Term (Commitment Term): Month _____, Year _____ through
Month _____, Year _____

Payment Option: Fixed Annual
Environmental Attributes: None Retain Convey to Basin Electric via Sioux
Valley Energy Location: _____

Interconnection Substation: _____

Type of Facility (describe in detail):

Signature

Date

Title

Sioux Valley Energy

Base Load Distributed Generation Rate

EXHIBIT II

RENEWABLE ENERGY CERTIFICATE

_____ (Seller)
hereby sells and conveys title, possession and all rights, including all environmental attributes (Renewable Energy Credits) related to electrical power and energy; and sold and delivered to Sioux Valley Energy via East River Electric or L & O Power, and Basin Electric by the Seller. Any energy delivered under this certification shall have been produced by the Seller's distributed generation facility located at _____
_____.

The Seller warrants that the Renewable Energy Credits or any related environmental attributes, transferred hereunder, have not otherwise been, nor will be, sold, retired, claimed or represented as part of electricity output or sales, or used to satisfy obligations in any other jurisdiction.

Seller further warrants that all energy produced by the above distributed generation facility was accurately metered and delivered to Sioux Valley Energy via East River Electric or L & O Power Cooperative, and Basin Electric and that none of the energy produced by the facility was sold to others or used to support Seller's other facilities or electrical needs.

Signed: Distributed Generation Facility Owner _____ Date: .

**SIoux VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
COLMAN, SOUTH DAKOTA**

SCHEDULE REC

RENEWABLE ENERGY CREDIT RATE

The purpose of this rate is to implement a rate for members to purchase Renewable Energy Certificates (RECs) and establish the qualification criteria and rate for the sale of RECs. RECS represent the property rights to the environment, social, and other nonpower qualities of renewable electricity generation (source EPA).

- A. Eligibility: All Sioux Valley Energy customers are eligible for purchasing RECs.
1. Basin Electric will provide certificate(s), identifying the purchased RECs representing the generation of electrical energy from renewable resources to the nation's electrical grid from which the customer's draw their power. Such delivery to the electrical grid shall constitute delivery for the purposes of the RECs.
 2. All RECs purchased under this rate shall include the environmental attributes associated with the environmental character of the generation and the Customer shall receive ownership of those attributes.
 3. Exhibit 1 must be completed and executed for each REC purchase.
- B. Availability: This rate shall be available to each customer until discontinued by Sioux Valley Energy.
- C. Rate:
- Participation Level = 100% @ \$0.00100 per kWh used
Participation Level = 75% @ \$0.00075 per kWh used
Participation Level = 50% @ \$0.00050 per kWh used
Participation Level = 25% @ \$0.00025 per kWh used
- \$1.00 per REC and shall represent the equivalent of 1 MWh of green energy attributes.
- D. Billing: Customers will be billed monthly based on kWh used.
- F. Review: This Rate shall be reviewed at least annually.

Effective: May 2017

EXHIBIT I

Sioux Valley Energy

Renewable Energy Credit Certificate Purchase

_____ (name of customer) hereby requests qualification of the following purchase for the Renewable Energy Credit Rate in effect on the date of qualification and agrees to each of the conditions in the Rate:

Name of Owner and Address of the Renewable Energy Credit Purchaser:

Account(s) Number:

Participation Level Selection:

100% Participation = \$0.0010 per kWh used

75% Participation = \$0.00075 per kWh used

50% Participation = \$0.00050 per kWh used

25% Participation = \$0.00025 per kWh used

Beginning Date: _____

The purchase of RECs will be added to your total kWh monthly usage. This agreement will continue until Sioux Valley Energy receives notice of cancellation.

Rate is subject to change on an annual basis based on market conditions.

Signature

Date

Title