

**SOUTHSIDE ELECTRIC COOPERATIVE
SCHEDULE NeoGV
PURPA COGENERATION SERVICE**

AVAILABILITY

Unless specifically excluded within this Schedule, all of the Cooperative's Terms and Conditions shall apply to customers taking service under this Schedule.

This Schedule is available to customers with Small Power Production or Cogeneration Facilities which qualify under Section 210 of the Public Regulatory Policies Act of 1978, and which have a total design capacity of 100 kilowatts AC nameplate or less. Power generated by the customers' facilities will be purchased by the Cooperative under this schedule. Power will be sold to the customer under the terms of the applicable rate schedule. Power generated by customers' facilities which have a total design capacity of more than 100 kW AC may be purchased by the Cooperative through separate, independently-negotiated arrangements.

This Schedule is not available to customers who (i) use any type of interruptible rate, (ii) use any type of power production or generation-inclusive rate, (iii) are enrolled in any wholesale market-based demand response or demand-side management incentive program (such as the PJM Emergency Load Response Program or Economic Load Response Program), (iv) use net energy metering service under Schedule NEM, or (v) customers who are small agricultural generators under Schedule AgGEN (should such an approved rate schedule be filed).

TYPE OF SERVICE

Type of service is 60 Hertz, alternating current. Installations of up to 10 kW capacity shall be 240 volt, single phase. Installations with greater than 10kW capacity may be three-phase at the Cooperative's standard voltages, as specified by the Cooperative.

MONTHLY RATE

A. Energy:

Energy shall be purchased from the customer at a rate equal to the energy and energy-related adjustment charges that would have been applied by the Cooperative's principal wholesale power supplier if it had supplied the energy which was purchased instead from the customer.

B. Capacity Payments:

From any customer who chooses to install and maintain, solely at its expense, any additional metering equipment necessary to verify that the customer-supplied capacity has reduced the Cooperative's wholesale billing demand units as measured in hourly increments, the electric power provided by the customer during such hours shall be purchased at rates equal to those which would have been applied by the Cooperative's principal wholesale power supplier if it had supplied the

power. Capacity payments will be applied at such time when the Cooperative would have been billed for the displaced demand units.

INTERCONNECTION CHARGE

Interconnection costs shall be paid by the customer. Interconnection costs are defined as the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Cooperative directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operation with the customer's facilities to the extent such costs are in excess of the corresponding costs, if any, which the Cooperative would have incurred if it had not engaged in the interconnected operations but instead, purchased an equivalent amount of energy or capacity from other sources. Interconnection costs may also include an ongoing operations & maintenance component (including meter communications), billable monthly, through the application of the Cooperative's prevailing Excess Facilities schedule and/or applicable terms and conditions. Payment of the one-time interconnection charges shall be made by either of the following methods:

- A. The estimated full amount to be paid in advance of construction. Adjustments to correct for the difference between the actual and estimated costs shall be billed or credited immediately following completion of construction.
- B. The amortized total costs, payable in equal monthly or annual installments over a three year period, or such period as may be mutually agreeable. Under this method, the customer may be required to purchase a surety bond with the Cooperative as beneficiary to guarantee payment of the total cost. Interest on the unpaid balance shall be at the composite rate paid by the Cooperative on its most recent issue of long-term debt.

TERMS OF PAYMENT

The Cooperative shall make payment to the customer within thirty (30) days after the meter is read.

TERMS OF CONNECTION

Interconnection of customers' generation with Cooperative's system will be permitted only under the terms of a contract between customer and Cooperative. Minimum contract term shall be one year.