



SOUTH DAKOTA ELECTRIC RATE BOOK

QF SERVICE TARIFF
RATE DESIGNATION QF
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Section No. 3B
~~Eighth-Ninth~~ Revised Sheet No. 1
Replaces ~~Seventh-Eighth~~ Revised Sheet No. 1

~~(Reserved)~~ QF SERVICE TARIFF

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AVAILABLE

Qualifying small power production facilities or qualified cogeneration facilities requesting service under this tariff will be considered upon successful application to the Company and an executed Interconnection Agreement. As part of the application, the Company will require an Interconnection Study to be completed. The qualifying small power production facility or qualified cogeneration facility will be responsible for Interconnection Study costs of \$100.00 plus \$1.00 per kW up to a maximum of \$1,000. If qualified for service under this tariff, the customer must have a production meter installed on the generation source. Qualifying small power production facilities or qualified cogeneration facilities of greater than 1 MW will enter into a Purchase Power Agreement.

APPLICABLE

To customers who interconnect a small power production facility or qualified cogeneration facility on or after June 1, 2021 and are taking service under any other rate schedule of the Company for all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company. Applicable to qualifying small power production and qualified cogeneration facilities, within the service territory of the Company.

Existing customers interconnected, as of May 31, 2021, to the Company's distribution system will continue to have a single bi-directional meter. Any billing period metered consumption will be paid by the customer at their appropriate rate schedule and any excess energy delivered to the company's distribution system will paid at the Energy Payment Rate. This exception expires on May 31, 2041.

MONTHLY RATE

Qualifying small power production facilities and qualified cogeneration facilities will be billed for all usage according to the terms under the applicable tariff Rate Schedule including all charges, adjustments, terms, payment conditions. All generation will be measured at the production meter and purchased by the Company at the Energy Purchase Rate:

ENERGY PAYMENT RATE: \$0.0248 per kWh

PRODUCTION METER CHARGE: \$10.00 per month



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~~(Reserved)~~
QF SERVICE TARIFF

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The Company will file with the Commission an update the Energy Purchase Rate no later than July 1 in each odd-numbered year. When the billing period includes a change in the charges the customer's bill shall be prorated accordingly. Any power purchase agreements with customers executed prior to the effective date of this tariff are exempt from the terms herein.

RULES AND REGULATIONS

1. Each cogeneration and small power production facility must qualify under the regulations set forth by the Federal Energy Regulatory Commission (FERC) under Sections 201 and 210 of the Public Utility Regulatory Policies Act and may require the completion of FERC Form No. 556 located on the FERCs web-site at: www.ferc.gov.
2. No qualifying facility may commence parallel generation unless agreed to _____ by the Company in the Interconnection Agreement. Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgment provides safety for personnel, affords adequate protection against damage to the Company's system or to its customers' property and prevents any interference with the Company's supply service to others. Parallel operations must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company.
3. The Company shall sell to any qualifying facility any energy and capacity requested by the qualifying facility at the Company's applicable tariff rates. The Company shall make interconnections with any qualifying facility as necessary to accomplish purchases under this Standard Rate or sales at the Company's applicable tariff rates. The technical requirements for such interconnections shall be set forth in the interconnection agreement executed between the qualifying facility and the Company. Qualifying facilities shall be obligated to pay all interconnection and metering costs which are in addition to the costs which would normally be incurred for a customer of similar size and type.



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(Reserved)

QF SERVICE TARIFF

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4. The Company shall install, own, operate and maintain, the metering to measure the electric power or energy supplied to the Customer to allow for proper billing of the separate Rate Schedule charges. The Company will also install, own, operate and maintain a meter that measures the energy produced by the customer-generator (Production Meter). The Customer will be responsible for the installation and maintenance of all wiring and other electrical equipment, except metering and Company-owned meter housings which will be at all times in conformity with good electrical practice and the requirements of the National Electrical Code, the National Electrical Safety Code, the wiring regulations of the public body having jurisdiction and in accordance with the Company's Rules and Regulations.

5. The Company shall install, own, operate and maintain, the metering to measure the electric power or energy supplied to the Customer to allow for proper billing of the separate Rate Schedule charges. The Company will also install, own, operate and maintain a meter that measures the energy produced by the customer-generator (Production Meter). The Customer will be responsible for the installation and maintenance of all wiring and other electrical equipment, except metering and Company-owned meter housings which will be at all times in conformity with good electrical practice and the requirements of the National Electrical Code, the National Electrical Safety Code, the wiring regulations of the public body having jurisdiction and in accordance with the Company's Rules and Regulations.

6. In addition to an automatic failsafe device, the Company will require an accessible disconnection device having the capability of isolating the energy generated by each qualifying facility. The Company also asserts that such a device must be in compliance with the Company's specifications, including the right of the Company to operate such device whenever necessary to maintain safe operating conditions or to avoid adverse effects on the system.

- ~~4.~~7. Procedures for periods of system emergency: A qualifying facility shall be required to provide energy or capacity to the Company during a system emergency only to the extent: (i) provided by agreement between such qualifying facility and the Company; (ii) ordered by the Commission; or (iii) ordered under section 202(c) of the Federal Power Act. During any system emergency, the Company may discontinue purchases and sales when: (i) purchases from a qualifying facility would contribute to such emergency; and (ii) sales to a qualifying facility are on a nondiscriminatory basis.



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 10 and 44 (SD875)
Rate Code 12 and 44 (SD876)
Rate Code 20 and 44 (SD878)

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SCHEDULE 3
COGENERATION & SMALL POWER PRODUCTION SERVICE
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Replaces ~~Sixth~~ Seventh Revised Sheet No. 9

SCHEDULE 3 (RESERVED)
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS POWER

(N)
(D)

AVAILABLE

~~In all territory served by the Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.~~

APPLICABLE

~~To customers taking service under any other rate schedule of the Company for all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.~~

GENERATION CREDIT

~~Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.~~

Rate

~~2.48¢ per kWh of cogeneration delivered~~

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PARALLEL OPERATION

~~Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:~~



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(RESERVED) SCHEDULE 3

COGENERATION AND SMALL POWER PRODUCTION SERVICE

SIMULTANEOUS POWER

(N)
(D)

~~The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.~~

~~The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.~~

~~The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.~~

RULES AND REGULATIONS

~~Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.~~