

Interstate Power and Light Company

ELECTRIC TARIFF

Filed with the I.U.B.

ORIGINAL TARIFF NO. 1

Third Revised Sheet No. 52

Canceling Second Revised Sheet No. 52

Alternative Energy & Small Hydro Production

FROZEN C

Rate Code AEP

General:

Company shall purchase kW capacity and kWh energy from Alternative Energy Production facilities on a monthly basis, at terms and conditions set forth below. This tariff is frozen to existing Customers at existing locations.

C

Applies to:

AEP facilities:

AEP facility which means any of the following:

1. An electric production facility which derives 75 percent or more of its energy input from solar, wind, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or wood-burning;
2. A hydroelectric facility at a dam;
3. Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion or operation of the facility; or
4. Transmission or distribution facilities necessary to conduct the energy produced to the purchasing utility.

Character of Service:

Regarding the character of electric service provided to Company by the Facility, see Section 16 of the Rules and Regulations. Regarding the character of the electric service provided to Customer by Company, see the Rate Schedule defined in the Rates for Sales Section below.

Rates and Charges:

I. Interconnection Facilities Costs:

Interconnection facilities costs will be as described in the Iowa Administrative Code (IAC) 199 – Chapter 45.

II. Rates for Sales to Customer and for Purchase by Company:

The energy KWH inflow (received by AEP facilities) and energy KWH outflow (received by Company) are each measured on a monthly basis. All energy inflow to the AEP facility shall be billed according to the rate schedule applicable for the pricing zone for which the AEP facility qualifies. The rate for capacity and energy to be purchased (energy outflow) by the Company may be negotiated between Company and AEP facility or may be determined per section A below. Customers with facilities that have an aggregate nameplate capacity below 500 KW may select the net metering option. Customers with nameplate capacity over 500 KW may contract for a portion of their facilities up to 500 KW as net metered. Net metering options are described in section B below.

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A. AEP Facilities over 500 KW

For facilities with total nameplate capacity greater than 500 KW, all energy inflows to the facility shall be billed at the applicable rate for which they qualify. All energy outflows from the customer into the Company's electric system shall be purchased by the Company at prices negotiated between the Company and the AEP facility not to exceed the Company's avoided cost. Customers may contract for a portion of their facilities up to 500 KW as net metered. Net metering options are described in Section B below.

B. Net Metering

Existing AEP facilities (500 kW or less) may select net metering below or may continue to operate under the terms of an existing agreement.

Net Metering for AEP Facilities

Available to AEP capacity of 500 KW or less receiving electric service with metered energy only. The energy KWH inflow (received by AEP facilities) and energy KWH outflow (received by Company) shall be measured by a single meter in which only the net amount of electricity is monitored on a monthly basis. At its discretion, the company may install metering capable of recording total energy inflow and total energy outflow separately, at no additional cost to the AEP facility. Metered energy billed shall be the total energy inflow less the total energy outflow for the same period and same location. Any outflow KWH balances shall be carried forward to the next billing month. The net energy inflow shall be billed according to the Residential, Farm or General Service rate schedule for the applicable pricing zone after subtracting any carryover outflow balance from the current monthly net inflow. The energy outflows from one meter shall not cover inflows on another meter nor shall it be converted to cash. Any energy outflow balance after the AEP facilities terminate service shall become property of Company.

If a customer's aggregate AEP nameplate capacity at a location exceeds 500 KW, the Company shall install a meter capable of recording the customer's total energy inflow and total energy outflow separately, at no additional cost to the customer. The customer's total energy outflow shall be divided into separate "net metering" and "purchase" portions. The "net metering" portion shall be a prorated amount, calculated by applying the total energy outflow to a ratio of: 500 KW to the aggregate nameplate capacity at the location. The remaining energy outflow shall be the "purchase" portion. Metered energy billed to the customer shall be the total energy inflow less the "net metering" portion of total energy outflow for the same period and same location. Any "net metering" outflow kWh balances shall be carried forward to the next billing month. The "purchase" portion of total energy outflow shall be purchased by the Company as described in Section A above.

A customer's monthly bill shall include applicable monthly service (basic service) charges and any excess facilities charges. The customer will not incur any additional charges for metering beyond the charges for metering provided in the basic service charge.

Contract Terms:

Customer shall sign an Agreement provided by Company. At the customer's option, the term of the Agreement may be up to 20 years.

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Interconnection:

The interconnection investment costs are the sum of:

- 1) the Company's costs incurred in the installation and ownership of special facilities to protect Company's facilities, its employees, the public and other customers on its lines, plus
- 2) the Company's costs incurred in the installation and ownership of special facilities to measure the quantity of power delivered to Company by the Customer's system which includes the Facility, where these special facilities are the supplemental facilities required on Company metering that are not required when service is provided to a Customer having no Facility, plus
- 3) other costs, if any, incurred by Company during the initial start-up procedures.

The interconnection costs also include such further non-recurring amounts that Company deems necessary to expend subsequently, beyond those necessary to serve an equivalent Customer without Facility. From time to time certain non-recurring expenses may be caused by the nature of the Facility. Those expenses will be billed to the Facility.

Prompt Payment Provision:

After 20 days, add 1 1/2% on the past-due amount.

Special Provisions:

- 1) Customer shall be served from a distribution transformer which serves no other Customer.
- 2) At its discretion, Company may install on Customer's property, research metering equipment that is not required for billing purposes. Customer shall incur no costs for any research metering unless Customer desires additional metering data, in which case Customer shall pay the appropriate excess facilities and data handling charges.

Supplying Interconnection Plans and Company Approval:

AEP agrees to submit an interconnection plan not less than 30 days prior to connection and for approval of the Company. Such are subject to written Company approval and will include a schematic diagram of the proposed installation, technical specifications of equipment to be connected and the proposed date of interconnection.

Modification To Facilities:

No modification to facilities already approved by the Company shall be made without further Company approval of such proposed revisions.

Location:

The proposed interconnection facilities shall be located so as to not interfere with the Company's present or proposed distribution system facilities or operation.