



## RENEWABLE ENERGY DISTRIBUTED GENERATION RIDER RIDER CODE: DG

**Purpose** - This rider provides the ability for Lansing Board of Water & Light (“BWL”) customers with on-site generated renewable energy to send renewable energy back to the electric grid when their generation exceeds their own consumption at the participating Premises.

**Availability** - Renewable Energy Distributed Generation (“DG”) rider participants must be an electric customer making use of any metered BWL Electric Rate Schedule. The DG Program will be voluntary and the selection of a Premises for participation in the DG program shall be based on the order in which the applications for the DG program are received by the BWL.

The customer’s renewable energy generating system may be limited, at BWL’s sole discretion, to geographical regions within the BWL’s service territory depending on infrastructure capacity.

**Eligible Renewable Energy Resources** - The customer’s renewable energy generating system must generate a portion or all of the retail electricity requirements at the Premises using a renewable energy resource including but not limited to the following: Biomass, Solar Photovoltaic, Storage or Wind. Other renewable energy resources not included in the list above must be approved by the BWL in advance of construction.

**Generation and Interconnection Requirements** - The customer’s renewable energy generating system and related equipment must be located on the Premises and serve only the Premises on the associated Account. DG applicants may apply to install generating systems of any capacity, but will be responsible for the cost of any resulting infrastructure upgrades to the BWL’s electric distribution system prior to energizing the generating system or as deemed necessary by the BWL and in accordance with the Rules and Regulations. The BWL, at its discretion, will make the final determination of the acceptable size of the renewable energy generating system eligible for participation. Before energizing an eligible renewable energy generating system, the applicant must: a) provide proof to the BWL that the generator has passed all applicable service upgrade and electrical inspections with the appropriate authority having jurisdiction, b) have signed a parallel operating agreement, and c) have permission to operate in writing from the BWL. The applicant cannot participate in the Advanced Meter Opt-Out Program as defined in the Rules and Regulations.

**Distributed Generation Billing** - All approved DG program applicants will be billed using an Inflow/Outflow methodology. Inflow to the customer’s Premises (delivered energy from the BWL) will be charged at the customer’s selected retail rate. Outflow from the customer’s Premises (received energy by the BWL) will be credited back to the customer monthly bill in the form of a reduction. The value of Outflow energy will be credited back the energy and capacity value of the resource, less 0.5 cents per kWh for administration of the DG program.

The energy value will be equal to the month’s average On-Peak Real-Time Locational Marginal Price (“LMP”) at the CONS.LANS node.

The capacity value will be equal to the MISO Zone-7 Planning Resource Auction capacity price multiplied by the capacity credit given by MISO for the same technology as the customer’s renewable energy generating system. This value will be credited on a per kWh basis based on the expected annual capacity factor for the renewable energy generating system.

**Renewable Energy Credits** – Customers may elect to sell their Renewable Energy Credits (“RECS”) to the BWL and receive additional value for Outflow energy. Customers who choose to sell their RECS to the BWL must sign a separate agreement with the BWL to allow the BWL to register their eligible renewable energy generating system in the Michigan Renewable Energy Certification System (“MIRECS”), enter generation data, and transfer the RECS to the BWL. The BWL will periodically update the price for RECS. The RECS will be measured from the Outflow of the customer’s bidirectional meter and will be the same meter used for the customer’s monthly billing.

**Rules and Regulations** - Service under this rider is subject to the BWL Rules and Regulations for Electric Service and the Renewable Energy Distributed Generation Program Standards hereby incorporated by reference. The BWL reserves the right to revise the terms and conditions including any electric energy buy-back pricing rates of future DG programs.