Town of Thatcher Distributed Generation Customer Guidelines

Introduction

As improvements in renewable energy and generation technology create more cost effective opportunities for customers to generate electric power, they may choose to connect their generating facility to the Town of Thatcher Electric Service ("Thatcher") to offset power provided by Thatcher and receive payment for excess power generated. Thatcher has created a policy to allow safe connection and export from residential and commercial generators to the Thatcher distribution system. At this time, Thatcher will only accept application for the addition of distributed generation systems of 100kW or less for residential or commercial accounts with appropriate integral voltage conversion, synchronization, power quality, and protection circuitry. These systems must meet certain electrical criteria to be approved for connection to the Thatcher distribution system. You must work with your contractor to ensure that your generation equipment is installed in a proper and safe manner, and in accordance with all applicable codes, standards, regulations, laws and insurance requirements. In most cases, you will also need to coordinate the installation and approval of your electric power generator with the local code inspection authority.

Application process

If you are planning to install a generator less than 100 kilowatts (kW) in a home residence or farm, or commercial business, please use the following process to complete the installation.

Not to be Interconnected Installation

If your small generator is not to be interconnected with Thatcher's electric power system, all you need to do is give us a call, and provide us with the electrical capacity, manufacturer and name of your electrical installer. We may ask you to send us a copy of your manufacturer information and installation plans. There is no formal application or fee required, but you may use the Thatcher "Application for Operation of Customer-Owned Distributed Generation" form to provide information to Thatcher. The system must be completely isolated from the Thatcher electric distribution system under all circumstances.

To be Interconnected

If you are planning to interconnect your generator with the Thatcher electric power distribution system, you need to complete the Thatcher "Application for Operation of Customer-Owned Distributed Generation" and submit it to us. You will also need to sign our Thatcher "Agreement for Interconnection of Distributed Generation". Distributed Generation shall not exceed 125% of the customer's total connected load at the site where the Distributed Generation is located.

Generators Interconnected with the Thatcher Distribution System

When installing a generator which will interconnect with the Thatcher distribution system, we must review your plans to ensure that Thatcher personnel safety and Thatcher electric system reliability will not be compromised.

Once we receive your application, we will review your proposed generator installation. As part of our review of your "Application for Operation of Customer-Owned Distributed Generation", we may request that additional information regarding your planned installation and may require special steps be taken during the generator installation process.

You can give us a call at anytime during this review process to find out the status of your application. If your application is not approved, we will explain the reason or be available to discuss your plans.

As part of our application review process, we will examine the ability of the Thatcher electric distribution system to accept power from your planned power generation unit. On certain parts of our system, we may need to replace existing equipment or add some new equipment in order to accommodate customer generation. If additional hardware is required, Thatcher will incur costs beyond what is normally required to operate and maintain the system to benefit all of our customers. Therefore, to be fair to other customers, you may need to pay for any system upgrades that will be needed to support the addition of your planned generation. If this is the case for your installation, we will advise you of the additional cost, and seek your agreement before approving your application. You will also be asked to sign the system upgrade estimate and the "Agreement for Interconnection of Distributed Generation", mentioned previously, in which you agree to operate your generator safely, maintain the unit properly, maintain insurance as needed, and that obligates you to reimburse us for the additional expense incurred on your behalf. We will furnish you an advance copy of the contract to review upon request.

Technical requirements

All customer generation systems that will be interconnected with Thatcher electric distribution system must meet the following requirements:

- _ Hardware should be UL approved (when available)
- _ System design for interconnection should meet the applicable standards set forth in IEEE 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems"
- _ National Electrical Code (NEC)
- _ National Electric Safety Code (NESC)
- _ Thatcher Rules and Regulations
- _ Local Building Code requirements

Power export to Thatcher

If you interconnect your generator with Thatcher distribution system, you will provide all of the power that your system generates to Thatcher. Each month the amount of energy generated will be used to offset energy delivered by Thatcher for your loads. Energy above the amount of your loads will be credited to the next month. At the end of the calendar year (December 31),any credit balance, carried from month to month will be zeroed out and will not be carried forward or otherwise credited to the customer's account Thatcher retains the right to refuse generation interconnection by any customer.

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Submit your application to the following Thatcher representative:

Thatcher contact: Rachel Nicholas

Title: Operations Assistant

Address: 3700 W. Main St.

Thatcher, AZ 85552

Phone: (928) 428- 2290

Fax: (928) 428- 7061

E-mail: rnicholas@thatcher.az.gov