SCHEDULE DG

DISTRIBUTED GENERATION

RATE CODE 043

AVAILABILITY

This tariff is applicable to customers with approved Distributed Generation (DG), such as solar, wind turbine or other auxiliary generation interconnected with Tohono O'odham Utility Authority (TOUA) electric system, with capacity rating of less than 700 kW AC and rated to produce an amount of electricity less than or equal to the amount of electricity the Customer for whom the DG is installed is reasonably expected to consume and where the Customer desires to export power.

INSTALLATION REQUIREMENTS

DG system shall be installed and tested in compliance the TOUA's Distributed Generation Procedures Manual for Member and all applicable standards. It must be inspected and approved by TOUA.

TERMS AND CONDITIONS

- a) The Authority shall bill the Customer for the energy supplied by the Authority during each billing period according to the Authority's applicable retail rate schedule.
- b) The Customer shall sign an approved contract for interconnection service with the Authority.
- c) In addition to all other charges, the Authority may bill the Customer for any additional facilities charges as determined by the Authority and appended to the Interconnection Agreement.
- d) The Authority may, at its sole discretion, as determined on a case-by-case nondiscriminatory basis, purchase power from a NQF.
- e) The type of metering to be used shall provide data so the Authority can determine the energy supplied to the Customer by the Authority in excess of on-site consumption and the energy supplied to the Authority by the Customer.
- f) The Authority shall not be required to make any purchases that will cause the Authority to no longer be in compliance with any applicable contracts or all-power contract requirements with its power supplier(s) unless required by law or state regulation.

g) Any renewable energy credits (RECs) resulting from the operation of the DG are the property of the DG Customer unless sold or otherwise transferred by the Customer.

RATE

Energy supplied by the Customer to the Authority's system exceeding on site consumption shall be purchased by the Authority at the Authority's avoided cost of generation. This rate varies from month to month and is calculated by dividing TOUA's monthly wholesale purchase power cost by the total kWh purchased.

The calculated value of the energy purchased by TOUA will be applied, as a credit, to the customer's monthly electric bill.

Approved by TOUA Management Board

Date: September 19, 2013