

## FAQs About Distributed Generation

### **Q. If I own distributed generation equipment, can I connect it to the electric distribution system of Medina EC?**

**A.** Yes, Medina EC allows the interconnection of distributed generation facilities to the electric distribution system of Medina EC under certain conditions. The DG Tariff of Medina EC currently allows interconnection of DG facilities up to 1 megawatt (MW) in size. The DG Tariff has a complete list of rules regarding interconnection of a DG system to the Medina EC electric distribution system.

### **Q. Is it necessary for me to contact Medina EC about my distributed generation system?**

**A.** If a member's DG system is interconnected with the facilities of Medina EC, the member is required to disclose to Medina EC the presence of the DG system. Non-disclosure of an interconnection of a DG system could result in harm to Medina EC personnel and discontinuance of service to the member. Once Medina EC is made aware of the distributed generation system, we will have to make changes in our metering and billing systems so that the member gets credit for all power produced by their distributed generation system.

### **Q. What upfront costs are involved to interconnect with Medina EC?**

**A.** There is an application fee of \$25 for systems 10 kW or less, \$50 for systems from 11 kW to 50 kW and \$250 for systems 51 kW to 1 MW. If an interconnection study is required, the member will be required to compensate Medina EC for the cost of the study.

### **Q. Will a distributed generation system pay for itself?**

**A.** Installing your own distributed generation facility is an individual decision for each member. Medina EC's role is to help educate the member regarding Medina EC's expectations in this process. The member has the responsibility of determining whether the facility will generate enough electricity to offset the cost of equipment and installation. Medina EC will try to help you obtain information you deem relevant to your decision making process.

### **Q. If I generate more than I consume, will Medina EC purchase my excess energy?**

**A.** Yes, Medina EC will purchase all kWh generated by the member in excess of the kWh consumed by the member at an avoided cost rate.

### **Q. How does Medina EC determine the price it will pay a distributed generator for energy (aka the avoided cost rate)?**

**A.** If a member generates more electricity than they consume, they are credited for each kWh push back onto the grid at the "avoided cost." The avoided cost is the cost Medina EC would have incurred had it been required to purchase the energy from a wholesale power supplier. The avoided cost is calculated by dividing the prior 12 months' total wholesale power purchase cost (excluding demand costs, transmission costs, ERCOT [Electric Reliability Council of Texas] and related fees and distribution costs) by the 12 months' total kWh's purchased.

### **Q. What steps do I need to follow to interconnect my DG system to Medina EC?**

A. Members interested in interconnecting distributed generation to Medina EC's electric distribution system should perform the following:

- Consult with a qualified distributed generation developer, installer or electrical consultant to determine technical requirements and potential costs.
- To indicate you are interested in interconnecting distributed generation, please call 1-866-MEC-ELEC (632-3532) or email us at [Info@MedinaEC.org](mailto:Info@MedinaEC.org).
- Read and understand the DG portion of the tariff found on our [Corporate Documents](#) page to ensure that all provisions will be followed. Please make note of the insurance requirements.
- Complete the [DG application](#) and return it to Medina EC with the appropriate application fee and a drawing of the member's DG system.
- Schedule a visit for a Medina EC representative to visit the proposed DG facility.
- Complete the [DG Interconnection Agreement](#) and return it to Medina EC along with any necessary insurance documents.
- Give Medina EC the opportunity to witness or verify the testing of the DG facility.
- If system testing is approved and all conditions of the interconnection agreement are satisfied, the DG facility is eligible to operate in parallel with the electric distribution facility of Medina EC.