

**NOTICE OF HEARING
AND CONSIDERATION OF
PURPA STANDARDS**

Summary. Each below named Electric Cooperative (“Cooperative”), individually, hereby gives public notice regarding the process to be followed by it in implementing the statutory directives in the Energy Policy Act of 2005 (“EPAAct 2005”), which amended the Public Utilities Regulatory Policies Act of 1978 (“PURPA”). EPAAct 2005 established new Federal standards under Section 111(d) of PURPA, which the Cooperative is required to consider and make a determination of whether or not to implement based on evidence collected from interested persons after public notice and hearing.

Inquiries. All inquiries should be in writing and mailed to PURPA HEARING COORDINATOR, POST OFFICE BOX 1455, COLUMBIA, SOUTH CAROLINA 29202.

PURPA Standards. The five new PURPA standards defined by EPAAct 2005 are described below. EPAAct 2005 **REQUIRES THE COOPERATIVE TO CONSIDER WHETHER OR NOT TO IMPLEMENT THESE STANDARDS, BUT DOES NOT REQUIRE THAT THEY BE ADOPTED BY THE COOPERATIVE.** No later than July 31, 2007, the Cooperative will decide whether or not to implement each standard. Any person desiring a copy of the EPAAct 2005 language relevant to these standards should write to the PURPA Hearing Coordinator at the indicated address and a copy will be provided at cost.

1. *Time-Based Metering and Communications.* Not later than eighteen (18) months after the date of enactment of this paragraph, each electric utility shall offer each of its customer classes, and provide individual customers upon customer request, a time-based rate schedule under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility’s costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule shall enable the electric consumer to manage energy use and cost through advanced metering and communications technology. [This reflects the opening paragraph of the standard; the second paragraph of the standard lists some of the types of time-based rate schedules that may be offered; and the third paragraph provides that each electric utility subject to the first paragraph shall provide each customer requesting a time-based rate with a time-based meter capable of enabling the utility and customer to offer and receive such rate. The full text of this standard may be obtained upon request.]

2. *Interconnection.* Each electric utility shall make available, upon request, interconnection service to any electric consumer that the electric utility serves. For purposes of this paragraph, the term “interconnection service” means service to an electric consumer under which an on-site generating facility on the consumer’s premises shall be connected to the local distribution facilities. Interconnection services shall be offered based upon the standards developed by the Institute of Electrical and Electronics Engineers: IEEE Standard 1547 for Interconnecting Distributed Resources with Electric Power Systems, as they may be amended from time to time. In addition, agreements and procedures shall be established whereby the services are offered shall promote current

best practices of interconnection for distributed generation, including but not limited to practices stipulated in model codes adopted by associations of state regulatory agencies. All such agreements and procedures shall be just and reasonable, and not unduly discriminatory or preferential.

3. *Net Metering.* Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves. For purposes of this paragraph, the term "net metering service" means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.

4. *Fuel Sources.* Each electric utility shall develop a plan to minimize dependence on one (1) fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of fuels and technologies, including renewable technologies.

5. *Fossil Fuel Generation Efficiency.* Each electric utility shall develop and implement a ten (10)-year plan to increase the efficiency of its fossil fuel generation.

Procedure. In order for Cooperative to fully consider the views of the public regarding the standards so that it may determine whether or not it is appropriate to implement such standards, the Cooperative will follow the procedural schedule set forth below:

- Initial Comments should be submitted on or before December 21, 2006
- Reply Comments should be submitted on or before January 12, 2007
- Request To Participate in Public Hearing should be submitted on or before January 18, 2007
- Public Hearing will be held on February 1, 2007, in Columbia South Carolina, commencing at 10:30 A.M. at the Radisson Hotel located at the intersection of Interstate 20 and Bush River Road. Public Hearing will include an evening time hearing which will begin at 7:00 p.m.
- Determination will be rendered on or before July 31, 2007.

Notice. This Notice is being posted at the Cooperative's offices and published in the local newspapers of the communities served by the Cooperative. Any electric consumer of the Cooperative may obtain at cost a copy of the relevant portions of EAct 2005 at the offices or by writing the PURPA Hearing Coordinator.

Initial Comments. These comments (if possible) should be typed (double spaced) and paginated, with appropriate headings so that the reader will know with specificity which of the five standards is being addressed. The comments should identify the name of the commenting party, the mailing address of the commenting party, and if a consumer of an electric cooperative, indicate the name of the Cooperative. The Cooperative requests that the comments be filed with the PURPA Hearing Coordinator at the mailing address indicated above. The PURPA Hearing Coordinator will make copies of the comments available at cost to any member of the public that requests a copy.

Reply Comments. The purpose of reply comments (which should conform with the format described above for initial comments) is solely to respond to arguments made in another person's initial comments; therefore, it is important that the person submitting reply comments identify with specificity the initial comment(s) to which it is responding and the points (preferably with page references) in the initial comments which it is addressing. The filing instruction described above for initial comments should be followed for reply comments. The PURPA Hearing Coordinator will make copies of the reply comments available at cost to any member of the public that requests a copy.

Request To Participate in Public Hearing. Any person who desires to participate in the public hearing should notify the PURPA Hearing Coordinator in writing by mail at the address noted above. The notification should indicate at least the following: (i) whether the person filed initial and/or reply comments; (ii) whether the person desires to make an oral presentation and if so, the anticipated length; and (iii) whether any special accommodations need to be made for the presenter.

Hearing. The hearing will be presided over by an impartial Presiding Officer selected by the Cooperative. The procedures to be followed at the hearing will depend in part on the number of participants (persons espousing the same position(s) are urged to consolidate their presentations), and will be determined by the presiding officer with the goal of ensuring a full and fair record on the issues. It is contemplated that a one-day hearing will be adequate, but if that is not the case, the hearing will continue for a second day or until completed. The purpose of the hearing is to collect evidence in addition to that found in the written comments; a person need not participate in the hearing for his/her written comments to be considered; and persons that do participate in the hearing are urged not to repeat matters found in the written submissions. A transcript of the proceeding will be made and will be available to the public at cost.

Determination. The Determination to be made by the Board of Trustees of each Cooperative on each of the standards will be in writing, will be based on findings supported by the evidence of record, and will be available to the public.

Participating Electric Cooperatives.

Aiken Electric Cooperative, Inc.
Berkeley Electric Cooperative, Inc.
Black River Electric Cooperative, Inc.
Blue Ridge Electric Cooperative, Inc.
Fairfield Electric Cooperative, Inc.
Horry Electric Cooperative, Inc.
Laurens Electric Cooperative, Inc.
Marlboro Electric Cooperative, Inc.
Mid-Carolina Electric Cooperative, Inc.
Palmetto Electric Cooperative, Inc.
Pee Dee Electric Cooperative, Inc.
Santee Electric Cooperative, Inc.
York Electric Cooperative, Inc.