



MID-CAROLINA ELECTRIC COOPERATIVE, INC.

GREEN RECs MARKET RENEWABLE ENERGY CREDIT RIDER

M-REC RIDER

Section 1: Applicability

This *GREEN RECs Program* and M-REC Rider is available in all territory served by Mid-Carolina Electric Cooperative, Inc. (the “Cooperative”), subject to terms and conditions set forth herein. This GREEN RECs Program is a Rider to the Cooperative’s current rate schedules. The purpose of this program is to provide the Cooperative’s qualifying commercial and industrial (“C&I”) member-consumers which have a minimum demand of at least 500 kW, with a source of purchasing market renewable energy attributes called Renewable Energy Credits (“RECs”) to offset all or a portion of their energy consumption, resulting in that portion of energy consumed to be considered renewable.

The Cooperative, by and through its wholesale power provider, Central Electric Power Cooperative, Inc. (“CEPCI”), will purchase market RECs on behalf of participating retail C&I members, pursuant to CEPCI’s applicable Schedule M-REC.

Section 2: Definitions

- A. “Renewable Energy Credit” (“REC”): The tradable renewable energy attribute which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of renewable energy from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one MWh of renewable energy. (Renewable energy credits are also known as renewable energy certificates.)
- B. “C&I Consumer”: A C&I member-consumer of the Cooperative which has a minimum demand of at least 500 kW.

Section 3: Program Participation

Under this Rider, the C&I Consumer may direct the Cooperative and CEPCI to offset a portion or all of the C&I Consumer’s energy consumption, resulting in that portion of energy consumed to be considered renewable, by purchasing and retiring RECs equal to the amount designated by the C&I Consumer. The amount of RECs to be purchased and retired on behalf of the C&I Consumer shall be designated by the C&I Consumer as covering a set percentage of the C&I Consumer’s energy consumption each month. The amount of RECs, type of RECs, and other elections necessary to fulfill the obligation to purchase and retire RECs are set forth in the sample *GREEN RECs M-REC Application* attached hereto as Appendix A. The Cooperative and CEPCI will act as the participating C&I Consumer’s REC purchasing agent including settling the REC market

transactions and REC retirements. The number of RECs purchased on behalf of Consumer will be rounded up to the nearest whole REC value based upon the C&I Consumer's kWh usage.

Section 4: Payment & Billing

- A. Each participating C&I Consumer will pay the actual market value of the RECs purchased on their behalf (including any applicable broker's fees or transaction costs) plus a fixed cost of service-based quarterly administration fee. The applicable REC purchase administration fee will be provided by CEPCI and shall be subject to annual review and modifications to ensure all program administration costs are adequately covered. CEPCI will use its best efforts to purchase and bill for RECs quarterly based on market availability. Provided however, if needed to fill the RECs necessary for participating C&I Consumers, CEPCI may purchase RECs at any time throughout the year.
- B. At the end of each calendar quarter, the Cooperative shall provide CEPCI the actual billed consumption for all participating C&I Consumers for that quarter. CEPCI shall invoice the Cooperative quarterly for all RECs purchased and retired on behalf of their participating C&I Consumer(s), together with the applicable REC purchase administration fee, as part of the corresponding Cooperative's wholesale bill. The Cooperative shall then invoice the C&I Consumer quarterly for all RECs purchased and retired on behalf of the Consumer, together with the REC purchase administration fee, as part of the invoice it sends to the C&I Consumer for all non-renewable energy purchases by the C&I Consumer.

Section 5: Other Terms & Conditions

- A. RECs purchased through this Rider shall be retired on an annual basis by CEPCI. CEPCI will provide the Cooperatives and C&I Consumers the appropriate documentation and certificates demonstrating the RECs have been retired on the corresponding C&I Consumer's behalf.
- B. In order to participate in this M-REC program, the C&I Consumer shall be required to enter into the Cooperative and CEPCI's applicable standard "*Renewable Energy Credit (REC) Purchase Agreement*" (the "REC Agreement") which shall govern the terms of the purchase and sale of RECs under this Rider. The initial term of the REC Agreement will be expire after one (1) year, provided, however, it will automatically renew each year thereafter until and unless the C&I Consumer or CEPCI provides at least sixty (60) days' notice of cancellation. Cooperative or CEPCI may terminate the REC Agreement immediately for non-payment. The C&I Consumer may also amend the REC Agreement annually to change the amount of or type of RECs they want to purchase.
- C. This M-REC Rider shall be subject to all other terms of service and payment of the applicable rate schedules or tariffs to which it is applied to each C&I Consumer.

Section 6: Changes To Rider

While the Cooperative and CEPCI expect that RECs will be available for purchase on the market, the Cooperative makes no guarantee that such RECs will be available at all times. If the Cooperative or CEPCI determine, for any reason, that adequate RECs are unavailable or insufficient to furnish the C&I Consumers' purchases hereunder, the Cooperative may suspend application of this Rider or limit the types of RECs available hereunder. When RECs again become available, the Cooperative may resume application of this Rider. FURTHERMORE, THE COOPERATIVE AND/OR CEPCI MAY DEEM IT NECESSARY TO RE-EVALUATE THIS RIDER AND, AS WITH ALL RATE SCHEDULES, RESERVES THE RIGHT TO REVIEW, ELIMINATE, OR CLOSE THIS RIDER TO NEW C&I CONSUMERS. THIS RIDER SHALL ALSO BE AUTOMATICALLY MODIFIED TO CONFORM TO CECPI'S SCHEDULE M-REC.

Date Effective

Board Approved: March 22, 2023.

APPENDIX A



SAMPLE Market RECs Purchase Program Application

Company Name *

Select your local electric cooperative: *

Service Address *

Account Number *

Name *

Position *

Email *

Phone *

Contact Preference *

Please select the percentage of your annual energy use to be made up by RECs: *

- 100%
- 75%
- 50%
- 25%

Would you like your RECs to be Green-E certified? *

- Yes
- No

Green-E certified RECs will likely increase the price at purchase.

Please select your required REC generation source: *

- Solar Wind Hydro
 Landfill Methane Gas Lowest Cost

Please select your preference of where RECs are generated:

- South Carolina Southeast North America

This is the required generation location of the RECs. A broader location selection will provide more availability to acquire specified RECs.

Please select the maximum price per REC that you are willing to pay: *

- \$6/REC \$10/REC No Max