

Board of Directors Policy

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| Subject: Customer Efficient Electric Motor Program | | | Policy No: 360 |
| Original Issue: 6/21/06 | Last Revised: 1/18/12 | Last Reviewed: 1/18/12 | Page 1 of 1 |

I. OBJECTIVE

To support and encourage the installation of premium efficiency electric motors by offering member incentives.

II. POLICY

- A. Only installations within the LPEA service territory are eligible for the Energy Efficiency Credit.
- B. LPEA will apply a onetime Energy Efficiency Credit to energy accounts of any member who installs a new premium efficiency electric motor with a minimum of 10 horsepower.
- C. The Energy Efficiency Ratings and Credits, reviewed and revised by management as necessary, are attached as Exhibit A and include credits passed on from Tri-State's program.
- D. Members can receive a check or have their account credited (as described in B above) when installing efficient electric motors.
- E. LPEA reserves the right to inspect any installation within two years (24 months) following the initial installation.
- F. To receive proper credit on their energy account, members will be required to provide LPEA an itemized receipt and/or work order as evidence of purchase. The receipt must show type of unit, size (horsepower), manufacturers stated efficiency and price of each unit installed.

III. RESPONSIBILITY

The Chief Executive Officer is responsible for the administration of this policy.

1/18/12

Date



Secretary

EXHIBIT A

Energy Efficiency Credits

Electric Motors

- Premium Efficiency Electric Motors – 10 hp through 500 hp
 - \$9.00 credit per horsepower (hp)
 - (LPEA pays \$1.00 & Tri-State G&T pays \$8.00)
 - \$1.50 per horsepower wiring assistance if replacing a fossil-fueled engine, or is a new installation
 - Maximum motor size 500 hp
 - Limited to irrigation motors and special purpose motors not covered by EISA 2007
 - Table available listing minimum motor efficiencies
 - Minimum 10 horsepower, operating at minimum of 15% load factor or 3 months per year