

**NOTICE OF PURPA IMPLEMENTATION
TO
ALL INTERESTED PERSONS**

Issued: December 21, 2006

Western Indiana Energy Rural Electric Membership Corporation (Cooperative) hereby gives public notice regarding the process to be followed by it in implementing the statutory directives in the Energy Policy Act of 2005 (EP Act 2005), which amended the Public Utilities Regulatory Policies Act of 1978 (PURPA). EP Act 2005 established new Federal standards under Section 111(d) of PURPA, which each non-regulated electric utility (such as the Cooperative) is required to consider and to “make a determination whether or not it is appropriate to implement such standard[s]” within certain defined time lines based on evidence collected from interested persons after public notice and hearing.

The five new PURPA standards defined by EP Act 2005, which the Cooperative must consider are set forth below. A copy of the complete legislative language relevant to these standards is posted on the Cooperative’s website at <http://www.winenergyremc.com/> Any electric consumer on the Cooperative’s system (referred to hereinafter as "Eligible Participants”) not able to access the Cooperative’s web site who desires to review a copy of the legislative language should contact the Cooperative by phone 1-800-882-5140, by mail U.S. 41 South, P. O. Box 577, Vincennes, IN 47591-9577, where a copy will be available for review.

1. *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.

2. *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.

3. *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.

4. *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 is available on the Cooperative's web site <http://www.winenergyremc.com>.

5. *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.

Please note that the Cooperative purchases its full power requirements from Hoosier Energy, Inc. (Hoosier) under a long-term full-requirements contract. For this reason, the Cooperative would not be able to effect certain of the PURPA standards, most notably Standards 2 (Fuel Sources) and 3 (Fossil Fuel Generation Efficiency), and its ability to effect aspects of other standards may be limited as well. Those commenting are urged to take such limitations into account when presenting their views. The Cooperative notes, however, that Hoosier follows policies consistent with Standards 2 and 3, which the Cooperative supports.

In order for the Cooperative to fully consider the views of the Eligible Participants 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 (each component of which is more fully addressed in the ensuing portion of this Notice):

- Notice – to be posted on or before January 2, 2007.
- Initial Comments – to be submitted on or before March 15, 2007.
- Proposed Standards – to be submitted by Board on or before April 15, 2007
- Final Comments – to be submitted for Board consideration on or before June 15th, 2007.
- Determination – to be rendered by the Board on or before July 15, 2007.

6. *Notice.* This Notice is being posted at the Cooperative's offices, on its web site, and sent to all the Cooperative's customers along with the monthly bill. Any

Eligible Participant may obtain at cost a copy of the relevant portions of EP Act 2005 at the offices of the Cooperative following the procedures explained above.

7. *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 along with the address, telephone number, and (if available) the email address of the commenting party. The Cooperative requests that at least three copies of the comments be filed at its office at U. S. 41 South, P.O. Box 577, Vincennes, IN 47591-0577. The Cooperative will make copies of comments available at cost to any Eligible Participant that requests a copy.

8. *Proposed Standards.* The Board with the aid of staff after investigation and consideration of the initial comments will formulate proposed standards as required by the ER Act of 2005 referenced hereinabove. The Proposed Standards will be in writing and available on the Cooperative web site or in the offices of the Cooperatives in

Vincennes	Sullivan	Princeton
3981 South US Hwy 41	2044 W State Rd 154	106 N. Second Ave.
Vincennes, In. 47591	Sullivan In. 47882	Princeton, In. 47670

at cost to any Eligible Participant.

9. *Final Comments.* The purpose of final comments (which should conform to the format described above for initial comments) is solely to respond to arguments made in another person's initial comments and the Boards Proposed Standards; therefore, it is important that the person submitting final comments identify with specificity the initial comment(s) to which it is responding and the points (preferably with page references) in the initial comments and/or the Standards proposed by the Board which it is addressing. The filing instructions described above for initial comments should be followed for final comments. The Cooperative will make copies of the final comments available at cost to any Eligible Participant that requests a copy.

10. *Determination.* The Board will meet in a special meeting to consider all comments initially filed and also to consider any and all reply and final comments before deliberations in regard to promulgating the position of the Cooperative in relation to the five PURPA standards defined by EP Act 2005. The Determination to be made by the Cooperative as to whether or not it is appropriate to implement any of the five standards will be in writing and will be based on findings supported by the evidence of record. The determination will be posted on the Cooperative's web site and will be made available for any Eligible Participant at cost at the office of the Cooperative.

We urge persons interested in this matter to contact us with any questions as to any of the items discussed above. Thank you in advance for your interest.