

Distributed Generation Interconnection Agreement (40 kW or less)

Distributed By

Name & Address

Pierce Pepin Cooperative Services
PO Box 420
W7725 US Highway 10
Ellsworth, WI 54011

Supplied By

Name & Address

INFORMATION ONLY

This Distributed Generation Interconnection Agreement (the "Agreement"), is made and entered into this _____ (day) of _____ (month), _____ (year) by and between Pierce Pepin Cooperative Services hereinafter called "Pierce Pepin" and _____ hereinafter called the "Member." Pierce Pepin and the Member are hereinafter collectively referred to as the "Parties" and individually as a "Party."

Recitals

- A. Pierce Pepin is the owner of the electric distribution system serving _____ [Insert legal description of property or address] ("Pierce Pepin's Distribution System").
- B. Member desires to install a Distributed Generation (DG) facility or energy storage device with a capacity 40kW or less, including related interconnection equipment (the "DG Facility") and to interconnect the DG Facility to Pierce Pepin's Distribution System.
- C. Pierce Pepin has previously reviewed and approved the Member's DG Interconnection Application Form dated _____ and supporting materials (the "Application"). The completed Application is attached as Exhibit 1 and incorporated into this Agreement.
- D. Member wishes to interconnect the DG Facility to Pierce Pepin's Distribution System and Pierce Pepin is willing to permit such interconnection.
- E. No agency or partnership is created with the interconnection of the member's DG Facility.

Agreement

NOW THEREFORE, in consideration of the foregoing Recitals and for good and valuable consideration, Pierce Pepin and Member agree as follows:

Pierce Pepin Cooperative Services

1. Design and Operation Requirements.

The DG Facility shall be installed and operated in compliance with the specifications set forth in the Application, the Cooperative's policies and operational standards, and all applicable laws and regulations.

2. Applicant's Representations and Warranties.

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Applicant represents and warrants that:

- a. the DG Facility is fully and accurately described in the Application;
- b. all information in the Application is true and correct;
- c. the DG Facility has been installed to Member's satisfaction;
- d. Member has been given warranty information and an operation manual for the DG Facility (as applicable) and
- e. Member has been adequately instructed in the operation and maintenance of the DG Facility.
- f. The DG facility is prepared to generate electricity in parallel with Pierce Pepin.
- g. The Member shall operate the DG Facility in compliance with all policies and operational standards of Pierce Pepin.

3. Interconnection Disconnect Switch.

Member shall furnish and install an interconnection disconnect switch that opens all ungrounded poles of the interconnection circuit with a visual break. The interconnection disconnect switch shall be rated for the voltage and fault current requirements of the DG Facility and shall meet all applicable UL, ANSI, and IEEE standards, as well as applicable requirements of the Wisconsin State Electrical Code, Volume 2, Wis. Adm. Code Chapter Comm 16. The switch enclosure shall be properly grounded. The interconnection disconnect switch shall be accessible at all times, located near the main electric meter for ease of access to Pierce Pepin personnel, and shall be capable of being locked in the open position.

4. Modifications to the DG Facility.

Member shall notify Pierce Pepin of plans for any material modification to the DG Facility by providing at least twenty (20) working days advance notice. A "material modification" is defined as any modification that changes the maximum electrical output of the DG Facility or changes the interconnection equipment (e.g., changing from certified to non-certified devices or replacement of any component with a component of different functionality or UL listing). The notification shall consist of a completed, revised Application and such supporting materials as may be reasonably requested by Pierce Pepin. Member agrees not to commence installation of any material modification to the DG Facility until Pierce Pepin has approved the revised Application. Pierce Pepin shall indicate its written approval or rejection of any revised Application within twenty (20) working days after it receives the completed application and all supporting materials.

5. Insurance.

Throughout the term of this Agreement, Member shall carry the following insurance:

A liability insurance policy that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of Applicant's ownership and/or operation of the DG Facility under this Agreement. The limits of such policy shall be at least \$500,000.00 per occurrence. The failure of the Member or Pierce Pepin to enforce the minimum levels of insurance does not relieve the Member from maintaining such levels of insurance or relieve Member of any liability. Prior to execution of this Agreement applicant shall provide Pierce Pepin with a certificate of insurance containing a minimum 30-day notice of cancellation.

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6. Indemnification.

Subject to the limitations set forth in this Section, and to the extent allowable by law, each Party to this Agreement shall indemnify, hold harmless and defend the other Party, its officers, directors, employees and agents from and against any and all claims, suits, liabilities, damages, costs and expenses (including without limitation, reasonable attorneys and expert witness fees) for damage to property, or injury to, or death of, any individual, including the employees, officers, directors and agents of the indemnified Party or any other third parties, to the extent caused wholly or in part by the negligence or the intentional wrongdoing of the indemnifying Party. Notwithstanding anything in this Section or in any other provision of this Agreement to the contrary, the liability of each Party to this Agreement shall be limited to direct actual damages, and all other damages at law or in equity are hereby waived. Under no circumstances shall a Party be liable to the other Party, whether in tort, contract or other basis in law or equity for any special, indirect, punitive, exemplary, or consequential damages, including lost profits. Member's and Pierce Pepin's indemnification obligations under this Section and the limits upon their respective liability shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any event or condition giving rise to an indemnification obligation that occurred prior to such expiration or termination.

7. DG Facility Testing and Power Quality.

Commissioning tests:

Member shall notify Pierce Pepin in writing that installation of the DG Facility is complete and that the interconnection equipment is available for testing by Pierce Pepin at least fifteen (15) working days before Member interconnects the DG Facility with Pierce Pepin's Distribution System. Pierce Pepin shall thereupon have the right to test the DG Facility. Pierce Pepin shall also have the right to witness any testing by Member of the DG Facility. Any Pierce Pepin testing of the DG Facility shall be completed within ten (10) working days. If Pierce Pepin waives its right to test the installed DG Facility by notifying Member in accordance with this Section, Member may interconnect the DG Facility to Pierce Pepin's Distribution System upon the earlier to occur of the following: (a) notification by Pierce Pepin; or (b) fifteen (15) working days after Member has notified Pierce Pepin that installation of the DG Facility is complete.

Initial commissioning test completed on: _____ (date & initial)

Anti-islanding tests:

The Member must test the DG Facility for Anti-Islanding every other year, with a Cooperative representative present, to ensure that the equipment is operating correctly. This may be done in conjunction with other annual system maintenance and at a time that is convenient to both Member and the Cooperative.

Power Quality:

The power quality, frequency, voltage and harmonics of the DG Facility must be compatible, in the opinion of the Cooperative, with the central station electricity provided by the Cooperative. The Institute of Electrical & Electronic Engineers (IEEE 1547) and the Underwriters Laboratory (UL 1741) standards will be used as guidelines when addressing the quality of the electricity produced by a DG Facility.

8. Access to DG Facility.

Member shall permit (and, if the land on which the DG Facility is located is not owned by Member, cause such land owner to permit) Pierce Pepin's employees and agents to enter the property on which the DG Facility is located at any reasonable time for the purposes of inspecting and/or testing Member's DG Facility to insure its continued safe and satisfactory operation and the accuracy of Pierce Pepin's meters. Such inspections shall not relieve Member from its obligation to maintain the DG Facility and any related equipment owned by Member in safe and satisfactory operating condition.

Pierce Pepin shall have the right to witness any testing by Member of the DG Facility.

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9. Disconnection of a DG Facility to Permit Maintenance and Repairs.

Upon reasonable notice by Pierce Pepin, Member shall disconnect the DG Facility to permit Pierce Pepin to perform routine repairs and maintenance to Pierce Pepin's Distribution System, or to install modifications thereto.

10. Disconnection of a DG Facility without Notice.

When Pierce Pepin so requests, Member shall discontinue operation of the DG Facility and Pierce Pepin may isolate the DG Facility from Pierce Pepin's Distribution System, upon any of the following:

- a. Termination of this Agreement;
- b. If, in Pierce Pepin's reasonable judgment, the DG Facility fails to comply with the design requirements specified in the Application, applicable Cooperative operational standards or law;
- c. In the event of an emergency on Pierce Pepin's Distribution System; or
- d. Upon any other breach of this Agreement by Member (a "Default"), that Member fails to remedy within ten (10) working days after receipt of written notice from Pierce Pepin.

In the event of such disconnection, pursuant to b, c, or d above, the DG Facility shall remain isolated from Pierce Pepin's Distribution System until, in the reasonable judgment of Pierce Pepin, the DG Facility meets the Design Requirements, Member has cured any Default, and Pierce Pepin's Distribution System is functioning in a safe manner. If Member fails to cure a Default within sixty (60) working days, Pierce Pepin shall further have the right to terminate this Agreement without liability to Member for such termination.

11. Amendments; Non-Waiver.

Any amendment or modification to this Agreement must be in writing and executed by Member and Pierce Pepin. The failure of Member or Pierce Pepin to insist on performance by the other Party of any provision of this Agreement shall not waive the right of the Party who failed to insist on performance to enforce the same provision at a later time.

12. Term of Agreement.

This Agreement shall become effective immediately upon the execution, by the Parties, and shall continue in effect until terminated by any of the following:

- a. Mutual written agreement of the Parties;
- b. Abandonment or removal of the DG Facility by Member;
- c. By Pierce Pepin pursuant to Section 10 of this Agreement;
- d. By Member upon thirty (30) working days prior written notice given to the Pierce Pepin.

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14. Rates for Sale and Purchase of Energy; Attributes/Rights for Purchase of Output of DG Facility.

- a. The rates for sales and purchases of electricity may change over time due to Cooperative Board approved rate changes.
- b. Sales and purchases shall be made under the rates in effect for the billing month that any such energy is sold or produced according to the Cooperative's applicable rate schedule for Member's appropriate rate class.
- c. The Cooperative will bill Member for the net excess of energy supplied by the Cooperative above energy supplied by the DG facility during the billing month.
- d. When the net energy generated by the DG facility exceeds that supplied by the Cooperative during a billing month, the Cooperative will apply a credit on Member's bill for the value of such energy.
- e. An annual reconciliation of the DG facility's energy account will be performed. Where a payment is due the Member, the Member will have the option to be paid by check or direct deposit (ACH transaction).
- f. The Cooperative shall receive all renewable attributes/rights under Federal, State and/or Local law associated with its purchase of the output from qualified renewable Distributed Generation.

15. Successors and Assigns.

- a. Assignment by Member:
Member shall not assign its rights and obligations under this Agreement in whole or in part without the prior written consent of Pierce Pepin, which consent shall not be unreasonably withheld or unduly delayed. Pierce Pepin may withhold its consent to any proposed assignment if the proposed assignee fails to assume the obligations of Member under this Agreement in writing.
- b. Assignment by Pierce Pepin:
The utility shall have the right to assign this Agreement in whole upon written notification to the Member.
- c. Successors:
This Agreement shall be binding upon the personal representatives, heirs, successors, and permitted assigns of the respective Parties.

16. Member and Pierce Pepin Cooperative Services Signatures.

IN WITNESS WHEREOF, Member and Pierce Pepin have executed this Agreement as of the year and date first set forth above.

Member Signature:

Title:

Date:

Pierce Pepin Signature:

Title:

Date:

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