

# **Non-Net Metering Electrical Interconnection Agreement**

## **Level 1, 2 or 3 Interconnection**

**(For Generating Facilities with Electric Nameplate  
Capacities of 20 MW and less)**

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This Non-Net Metering Interconnection Agreement ("Interconnection Agreement") for interconnection facilities 20 MW or less, is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_ ("Public Utility"), and \_\_\_\_\_ ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

**Public Utility Information**

Public Utility: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**Interconnection Customer Information**

Interconnection Customer: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Interconnection Customer Queue Position: \_\_\_\_\_

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

**Article 1. Scope and Limitations of Interconnection Agreement**

- 1.1 This Interconnection Agreement shall be used for all Level 1, Level 2, or Level 3 Non-Net Metering Interconnection Requests according to the procedures set forth in Utah Administrative Rule R746-312 ("Rule"). The Rule can be viewed at [www.psc.state.ut.us](http://www.psc.state.ut.us).
- 1.2 This Interconnection Agreement governs the terms and conditions under which the Interconnection Customer's Generating Facility will interconnect with, and operate in parallel with, the Public Utility's Electric Distribution System.
- 1.3 This Interconnection Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate agreements, if any. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable Public Utility.

- 1.4 Nothing in this Interconnection Agreement is intended to affect any other agreement between the Public Utility and the Interconnection Customer.
- 1.5 Responsibilities of the Parties
- 1.5.1 The Parties shall perform all obligations of this Interconnection Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.
- 1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, and in accordance with this Interconnection Agreement, and with Good Utility Practice.
- 1.5.3 The Public Utility shall construct, operate, and maintain its Electric Distribution System and Interconnection Facilities in accordance with this Interconnection Agreement, and with Good Utility Practice.
- 1.5.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE Standards, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to have its Generation Facility inspected by the local Building Code Official in accordance with R746-312-17 (1) (a). The Interconnection Customer agrees to design, install, maintain, and operate its Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of the Public Utility and any Affected Systems.
- 1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Interconnection Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. The Public Utility and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Public Utility's Electric Distribution System, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Interconnection Agreement.
- 1.5.6 The Public Utility shall coordinate with all Affected Systems to support the interconnection.

1.6 Parallel Operation Obligations

Once the Generating Facility has been authorized to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Generating Facility in the applicable control area, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in the Rule or by the applicable system operator(s) for the Public Utility's Electric Distribution System and; 2) the Operating Requirements set forth in Attachment 5 of this Interconnection Agreement.

1.7 Metering

The Interconnection Customer shall be responsible for the Public Utility's reasonable and necessary cost for the purchase, installation, operation, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Interconnection Agreement. The Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements.

1.8 Reactive Power

1.8.1 The Interconnection Customer shall design its Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Common Coupling at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Public Utility has established different requirements that apply to all similarly situated generators in the control area on a comparable basis. The requirements of this paragraph shall not apply to wind generators.

1.8.2 The Public Utility is required to pay the Interconnection Customer for reactive power that the Interconnection Customer provides or absorbs from the Generating Facility when the Public Utility requests the Interconnection Customer to operate its Generating Facility outside the range specified in article 1.8.1. In addition, if the Public Utility pays its own or affiliated generators for reactive power service within the specified range, it must also pay the Interconnection Customer.

1.8.3 Payments shall be in accordance with the Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to a regional transmission organization or independent system operator Governing Authority-approved rate schedule. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb reactive power under this Interconnection Agreement, the Parties agree to expeditiously file such rate schedule and agree to support any request for waiver of the Commission's prior notice requirement in order to compensate the Interconnection Customer from the time service commenced.

- 1.9 Capitalized terms used herein shall have the meanings specified in the Rule, Glossary of Terms in Attachment 1 or the body of this Interconnection Agreement.

## **Article 2. Inspection, Testing, Authorization, and Right of Access**

### 2.1 Equipment Testing and Inspection

2.1.1 The Interconnection Customer shall test and inspect its Generating Facility and Interconnection Facilities prior to interconnection. The Interconnection Customer shall notify the Public Utility of such activities no fewer than five Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Public Utility may, at its own expense, send qualified personnel to the Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide the Public Utility a written test report when such testing and inspection is completed.

2.1.2 The Public Utility shall provide the Interconnection Customer written acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Public Utility of the safety, durability, suitability, or reliability of the Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Generating Facility.

### 2.2 Authorization Required Prior to Parallel Operation

2.2.1 The Public Utility shall use Reasonable Efforts to list applicable parallel operation requirements in Attachment 5 of this Interconnection Agreement. Additionally, the Public Utility shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Public Utility shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its Generating Facility in parallel with the Public Utility's Electric Distribution System without prior written authorization of the Public Utility. The Public Utility will provide such authorization once the Public Utility receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

### 2.3 Right of Access



- 2.3.1 Upon reasonable notice, the Public Utility may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Generating Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit. In addition, the Interconnection Customer shall notify the Public Utility at least five Business Days prior to conducting any on-site verification testing of the Generating Facility.
- 2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, the Public Utility shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Interconnection Agreement or if necessary to meet its legal obligation to provide service to its customers.
- 2.3.3 Each Party shall be responsible for its own costs associated with following this article.

### **Article 3. Effective Date, Term, Termination, and Disconnection**

#### 3.1 Effective Date

This Interconnection Agreement shall become effective upon execution by the Parties subject to acceptance by the Governing Authority, if required.

#### 3.2 Term of Interconnection Agreement

This Interconnection Agreement shall become effective on the Effective Date and shall remain in effect for a period of ten years from the Effective Date or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Interconnection Agreement.

#### 3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

3.3.1 The Interconnection Customer may terminate this Interconnection Agreement at any time by giving the Public Utility 20 Business Days Written Notice.

3.3.2 Either Party may terminate this Interconnection Agreement after Default pursuant to article 7.6.

- 3.3.3 Upon termination of this Interconnection Agreement, the Generating Facility will be disconnected from the Public Utility's Electric Distribution System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Interconnection Agreement or such non-terminating Party otherwise is responsible for these costs under this Interconnection Agreement.
- 3.3.4 The termination of this Interconnection Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.
- 3.3.5 This provisions of this article shall survive termination or expiration of this Interconnection Agreement.

#### 3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

- 3.4.1 Emergency Conditions -- "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Public Utility, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Electric Distribution System, the Public Utility's Interconnection Facilities or the Electric Distribution Systems of others to which the Electric Distribution System is directly connected; or (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Public Utility may immediately suspend interconnection service and temporarily disconnect the Generating Facility. The Public Utility shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Generating Facility. The Interconnection Customer shall notify the Public Utility promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Public Utility's Electric Distribution System or any Affected Systems. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

#### 3.4.2 Routine Maintenance, Construction, and Repair

The Public Utility may interrupt interconnection service or curtail the output of the Generating Facility and temporarily disconnect the Generating Facility from the Public Utility's Electric Distribution System when necessary for routine maintenance, construction, and repairs on the Public Utility's Electric Distribution System. The Public Utility shall provide the Interconnection Customer with five Business Days notice prior to such interruption. The Public Utility shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.

#### 3.4.3 Forced Outages

During any forced outage, the Public Utility may suspend interconnection service to effect immediate repairs on the Public Utility's Electric Distribution System. The Public Utility shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Public Utility shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

#### 3.4.4 Adverse Operating Effects

The Public Utility shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Generating Facility may cause disruption or deterioration of service to other customers served from the same Electric Distribution System, or if operating the Generating Facility could cause damage to the Public Utility or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Public Utility may disconnect the Generating Facility. The Public Utility shall provide the Interconnection Customer with five Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

#### 3.4.5 Modification of the Generating Facility

The Interconnection Customer must receive written authorization from the Public Utility before making any change to the Generating Facility that may have a material impact on the safety or reliability of the Electric Distribution System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes such modification without the Public Utility's prior written authorization, the latter shall have the right to temporarily disconnect the Generating Facility.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Generating Facility, Interconnection Facilities, and the Public Utility's Electric Distribution System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

**Article 4. Cost Responsibility for Interconnection Facilities**

4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Interconnection Agreement. The Public Utility shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Public Utility.

4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities.

**Article 5. Cost Responsibility for Upgrades**

5.1 Applicability

No portion of this article 5 shall apply unless the interconnection of the Generating Facility requires Upgrades.

5.2 Upgrades

The Public Utility shall design, procure, construct, install, and own the Upgrades described in Attachment 6 of this Interconnection Agreement. If the Public Utility and the Interconnection Customer agree, the Interconnection Customer may construct Upgrades that are located on land owned by the Interconnection Customer. Unless the Public Utility elects to pay for Upgrades, the actual cost of the Upgrades, including overheads, shall be borne by the Interconnection Customer.

5.3 Special Provisions for Affected Systems

Unless the Public Utility provides, under this Interconnection Agreement, for the repayment of amounts advanced to any applicable Affected System operators for Upgrades, the Interconnection Customer and Affected System operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms

governing payments to be made by the Interconnection Customer to Affected System operator.

## **Article 6. Billing, Payment, Milestones, and Financial Security**

### **6.1 Billing and Payment Procedures and Final Accounting**

6.1.1 The Public Utility shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Interconnection Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

6.1.2 Within three months of completing the construction and installation of the Public Utility's Interconnection Facilities and/or Upgrades described in the Attachments to this Interconnection Agreement, the Public Utility shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) the Interconnection Customer's previous aggregate payments to the Public Utility for such facilities or Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Public Utility shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Public Utility within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Interconnection Agreement, the Public Utility shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

### **6.2 Milestones**

The Parties shall agree on estimated milestones for which each Party is responsible and list them in Attachment 4 of this Interconnection Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

### 6.3 Financial Security Arrangements

At least 20 Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Public Utility's Interconnection Facilities and Upgrades, the Interconnection Customer shall provide the Public Utility, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to the Public Utility and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Common Coupling is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of the Public Utility's Interconnection Facilities and Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to the Public Utility under this Interconnection Agreement during its term. In addition:

6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of the Public Utility, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer reasonably acceptable to the Public Utility and must specify a reasonable expiration date.

## **Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default**

### 7.1 Assignment

This Interconnection Agreement may be assigned by either Party upon 15 Business Days prior Written Notice and opportunity to object by the other Party; provided that:

7.1.1 Either Party may assign this Interconnection Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Agreement, provided that the Interconnection Customer promptly notifies the Public Utility of any such assignment;

7.1.2 The Interconnection Customer shall have the right to assign this Interconnection Agreement, without the consent of the Public Utility, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will promptly notify the Public Utility of any such assignment.

7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An

assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

## 7.2 Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Interconnection Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Interconnection Agreement.

## 7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Interconnection Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

7.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such



fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

#### 7.4 Consequential Damages

Other than as expressly provided for in this Interconnection Agreement, neither Party shall be liable under any provision of this Interconnection Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

#### 7.5 Force Majeure

7.5.1 As used in this article, a Force Majeure Event shall mean "any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing."

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Interconnection Agreement, the Party affected by the Force Majeure Event ("Affected Party") shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Interconnection Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

#### 7.6 Default

7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Interconnection Agreement or the result of an act or



omission of the other Party. Upon a Default, the non-defaulting Party shall give Written Notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

- 7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Interconnection Agreement by Written Notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Interconnection Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Interconnection Agreement.

## **Article 8. Insurance**

- 8.1 If an interconnection customer whose generating facility is no greater than two megawatts in size complies with the provisions of the interconnection request approval, interconnection agreement, and standards identified in Section 54-15-106, the Public Utility may not require that interconnection customer to purchase additional liability insurance.
- 8.2 The Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Interconnection Agreement. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. The Interconnection Customer shall obtain additional insurance only if necessary as a function of owning and operating a Generating Facility. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of the Public Utility, except that the Interconnection Customer shall show proof of insurance to the Public Utility no later than ten Business Days prior to the anticipated commercial operation date. An Interconnection Customer of sufficient credit-worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.
- 8.2 The Public Utility agrees to maintain general liability insurance or self-insurance consistent with the Public Utility's commercial practice. Such insurance or self-

insurance shall not exclude coverage for the Public Utility's liabilities undertaken pursuant to this Interconnection Agreement.

- 8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

## **Article 9. Confidentiality**

- 9.1 Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Interconnection Agreement, or to fulfill legal or regulatory requirements.

9.1.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

9.1.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

- 9.3 Notwithstanding anything in this article to the contrary, if the Governing Authority, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Interconnection Agreement, the Party shall provide the requested information to the Governing Authority, within the time provided for in the request for information. In providing the information to the Governing Authority, the Party may request that the information be treated as confidential and non-public by the Governing Authority and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Interconnection Agreement prior to the release of the Confidential Information to the Governing Authority. The Party shall notify the other Party to this Interconnection Agreement when it is notified by the Governing Authority that a request to release Confidential Information has been received by the Governing Authority, at which time either of the Parties may respond before such information would be made public. Requests from a federal regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable rules and regulations.

## **Article 10. Disputes**

- 10.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of the Rule.

## **Article 11. Taxes**

- 11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with Governing Authority policy and Internal Revenue Service requirements.
- 11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Interconnection Agreement is intended to adversely affect the Public Utility's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

## **Article 12. Miscellaneous**

### 12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Interconnection Agreement and each of its provisions shall be governed by the laws of the state of Utah (where the Point of Common Coupling is located), without regard to its conflicts of law principles. This Interconnection Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of the Governing Authority.

### 12.2 Amendment

The Parties may amend this Interconnection Agreement by a written instrument duly executed by both Parties, or under article 12.12 of this Interconnection Agreement.

### 12.3 No Third-Party Beneficiaries

This Interconnection Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

### 12.4 Waiver

12.4.1 The failure of a Party to this Interconnection Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

12.4.2 Any waiver at any time by either Party of its rights with respect to this Interconnection Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection Agreement. Termination or default of this Interconnection Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from

the Public Utility. Any waiver of this Interconnection Agreement shall, if requested, be provided in writing.

12.5 Entire Interconnection Agreement

This Interconnection Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Interconnection Agreement.

12.6 Multiple Counterparts

This Interconnection Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

12.7 No Partnership

This Interconnection Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Interconnection Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governing Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Interconnection Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. Governing Authorities expect all Public Utility's, market participants, and Interconnection Customers interconnected to electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

#### 12.10 Environmental Releases

Each Party shall notify the other Party, first orally and then by Written Notice, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

#### 12.11 Subcontractors

Nothing in this Interconnection Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interconnection Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interconnection Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Interconnection Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the Public Utility be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Interconnection Agreement. Any applicable obligation imposed by this Interconnection Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

#### 12.12 Reservation of Rights

The Public Utility shall have the right to make a unilateral filing with the Governing Authority to modify this Interconnection Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule, regulation or any other applicable provision of the Federal Power Act and the Governing Authority's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with Governing Authority to modify this Interconnection Agreement under any applicable provision of the Federal Power Act and the Governing Authority's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before the Governing

Authority in which such modifications may be considered. Nothing in this Interconnection Agreement shall limit the rights of the Parties, except to the extent that the Parties otherwise agree as provided herein.

**Article 13. Notices**

13.1 General

Unless otherwise provided in this Interconnection Agreement, any Written Notice, demand, or request required or authorized in connection with this Interconnection Agreement shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

If to the Public Utility:

Public Utility: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Public Utility: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Interconnection Agreement to be given in writing may be so given

by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

If to the Public Utility:

Public Utility: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

#### 13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Interconnection Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Public Utility's Operating Representative:

Public Utility: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

#### 13.5 Changes to the Notice Information

Either Party may change this information by giving five (5) Business Days Written Notice prior to the effective date of the change.

**Article 14. Signatures**

IN WITNESS WHEREOF, the Parties have caused this Interconnection Agreement to be executed by their respective duly authorized representatives.

**PacifiCorp**

**[Insert name of  
Interconnection Customer]**

Signed \_\_\_\_\_

Signed \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## Attachment 1 to Interconnection Agreement

### Glossary of Terms

**“Adverse System Impact”** means the negative effects due to technical or operational limits on conductors or equipment being exceeded which may compromise the safety and reliability of the Electric Distribution System.

**“Affected System”** means an electric system other than a Public Utility’s Electric Distribution System which may be affected by the proposed interconnection.

**“Applicable Laws and Regulations”** means duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governing Authority.

**“Building Code Official”** means the city or local official whose responsibility includes inspecting facilities for compliance with the city or local jurisdiction electrical code requirements.

**“Business Day”** means Monday through Friday, excluding Federal holidays.

**“Default”** means the failure of a breaching Party to cure its breach under the Interconnection Agreement.

**“Electric Distribution System”** means that portion of an electric system which delivers electricity from transformation points on the transmission system to the point or points of connection at a customer’s premises.

**“Confidential Information”** means any confidential and/or proprietary information provided by one party to the other party that is clearly marked or otherwise designated “Confidential.” For the purposes of the rule, all design, operating specifications, and metering data provided by the interconnection customer shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such. Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by governmental authorities, or necessary to be divulged in an action to enforce these procedures.

**“Generating Facility”** means the interconnection customer’s device for the production of electricity and all associated components up to the Point of Common Coupling identified in the interconnection request, but shall not include the interconnection customer’s Interconnection Facilities.

**“Generation Capacity”** means the nameplate capacity of the power generating device(s) of a Generating Facility. Generation capacity does not include the effects caused by inefficiencies of power conversion or plant parasitic loads.

**“Good Utility Practice”** means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result of the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region and consistently adhered to by the public utility.

**“Governing Authority”** means the Public Service Commission, otherwise referred to as the commission in addition to any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Interconnection Customer, the Public Utility, or any affiliate thereof.

**“IEEE Standards”** means the standards published in the 2003 edition of the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547, entitled “Interconnecting Distributed Resources with Electric Power Systems,” approved by the IEEE SA Standards Board on June 12, 2003, and in the 2005 edition of the IEEE Standard 1547.1, entitled “IEEE Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems,” approved by the IEEE SA Standards Board on June 9, 2005.

**“Interconnection Agreement”** means a standard form agreement between an Interconnection Customer and a Public Utility, which governs the connection of a Generating Facility to the Electric Distribution System, as well as the ongoing operation of the Generating Facility after it is connected to the system.

**“Interconnection Customer”** means any entity, including a Public Utility, which proposed to interconnect its Generating Facility with the Public Utility’s distribution system.

**“Interconnection Facilities”** means the facilities and equipment required by a public utility to accommodate the interconnection of a generating facility to the Public Utility’s Electric Distribution System and used exclusively for that interconnection. Interconnection Facilities do not include Upgrades.

**“Interconnection Request”** means the Interconnection Customer’s request to interconnect a new Generating Facility, or to increase the Generation Capacity of, or make a Material Modification to the operating characteristics of an existing generating facility that is interconnected with the public utility. The Interconnection Request includes all required applications, forms, processing fees and/or deposits required by the Public Utility.

**“Material Modification”** means a modification that has a material impact on the cost or timing of any Interconnection Request with a later Queue Position.

**“Operating Requirements”** means any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, control area, or the Public Utility's requirements, including those set forth in the Interconnection Agreement.

**“Party or Parties”** means the Public Utility and/or the Interconnection Customer.

**“Point of Common Coupling”** means the point at which the interconnection between the Public Utility's system and the Interconnection Customer's equipment interface occurs. Typically, this is the customer side of the Public Utility's meter.

**“Public Utility”** has the meaning set forth in Subsection 54-2-1(16) and is limited to a Public Utility that provides electric service.

**“Queue Position”** means the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, which is established based upon the date and time of receipt of a completed Interconnection Request, including application fees, by the Public Utility.

**“Reasonable Efforts”** with respect to an action required to be attempted or taken by a Party under the Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

**“Written Notice”** means a required notice sent by the utility via electronic mail if the Interconnection Customer has provided an electronic mail address. If the Interconnection Customer has not provided an electronic mail address, or has requested in writing to be notified by United States mail, or if the Public Utility elects to provide notice by United States mail, then Written Notices from the utility shall be sent via First Class United States mail. The Public Utility shall be deemed to have fulfilled its duty to respond under this rule on the day it sends the Interconnection Customer notice via electronic mail or deposits such notice in First Class mail. The Interconnection Customer shall be responsible for informing the Public Utility of any changes to its notification address.

**“Upgrades”** means the required additions and modifications to a Public Utility's Electric Distribution System beyond the Point of Common Coupling. Upgrades do not include Interconnection Facilities.

## **Attachment 2 to Interconnection Agreement**

### **Description and Costs of the Generating Facility, Interconnection Facilities, and Metering Equipment**

Equipment, including the Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer, the Public Utility, or the Affected System owner. The Public Utility will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment.

**Attachment 3 to Interconnection Agreement**

**One-line Diagram Depicting the Generating Facility, Interconnection  
Facilities, Metering Equipment, and Upgrades**

**Attachment 4 to Interconnection Agreement**

**Milestones**

Estimated In-Service date: \_\_\_\_\_

Estimated milestones and responsibility as agreed to by the Parties:

	<b>Milestone/Date</b>	<b>Responsible Party</b>
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

## **Attachment 5 to Interconnection Agreement**

### **Additional Operating Requirements for the Public Utility's Electric Distribution System and Affected Systems Needed to Support the Interconnection Customer's Needs**

The interconnection of the Generating Facility is subject to the rules contained within R746-312. The interconnection of the Generating Facility to the Public Utility's distribution system shall be subject to, and the Interconnection Customer shall operate the Generating Facility in accordance with, IEEE Standards and the Public Utility's policies governing interconnection of generation facilities to the distribution system entitled "Facility Connection (Interconnection) Requirements for Distribution Systems (34.5 kV and below)" which policy document is available upon request from the Public Utility and is incorporated by this reference as part of the Interconnection Agreement between the Parties. In the event of a conflict between any aspect of this Attachment 5 (including without limitation the Public Utility's policies governing interconnection of Generation Facilities to the distribution system) and the rules contained in R746-312, the rules shall prevail.

Parallel operation. Interconnection Customer may operate the Generating Facility in parallel with the Public Utility's distribution system, but subject at all times to any operating instructions that the Public Utility's dispatch operators may issue and in accordance with all the provisions of this Interconnection Agreement and Good Utility Practice, and any other conditions imposed by the Public Utility in its sole discretion.

Generating Facility operation shall not adversely affect the Public Utility's distribution system. Interconnection Customer shall operate the Generating Facility in such a manner as not to adversely affect the Public Utility's Electric Distribution System or any other element of the Public Utility's electrical system. Interconnection Customer's Generating Facility shall deliver not more than the Generation Capacity of            kW. Except as otherwise required by this Interconnection Agreement, Interconnection Customer shall operate the Generating Facility in a manner compatible with the Public Utility's applicable voltage level and fluctuating voltage guidelines, entitled Facility Connection (Interconnection) Requirements for Distribution Systems (34.5 kV and below), as it may be amended or superseded from time to time in the Public Utility's reasonable discretion, at the Point of Common Coupling during all times that the Generating Facility is connected and operating in parallel with the Public Utility's Electric Distribution System. In its sole discretion, the Public Utility may specify rates of change in Interconnection Customer's deliveries to the Public Utility's Electric Distribution System during any start-up of the Generating Facility, during reconnection to the Public Utility's Electric Distribution System, and during normal operations to assure that such rates of change are compatible with the operation of the Public Utility's voltage regulation equipment.

Maximum authorized power flow. The Generating Facility shall not be operated in a manner that results in the flow of electric power onto the Public Utility's Electric Distribution System during any fifteen (15) minute interval at levels in excess of            kVA from the Generating Facility. If this provision is violated, the Public Utility may terminate this Interconnection

Agreement or lock the Interconnection Customer disconnect switch in the open position until such time as: (a) the Public Utility has studied the Adverse System Impact of additional generation on the Electric Distribution System (at Interconnection Customer's cost and pursuant to R746-312-4 (6) with the submission of an application); or (b) the Interconnection Customer has modified the Generating Facility or Interconnection Customer's Interconnection Facilities in such manner as to insure to the Public Utility's satisfaction that the Generating Facility will no longer cause electric power to flow onto the Public Utility's Electric Distribution System at a level in excess of           kVA.

Harmonic distortion or voltage flicker. Notwithstanding the study results, upon notice from the Public Utility that operation of the Generating Facility is producing unacceptable harmonic distortions or voltage flicker on the Public Utility's Electric Distribution System, Interconnection Customer shall at its sole cost remedy such harmonic distortions or voltage flicker within a reasonable time.

Reactive power. Interconnection Customer shall at all times control the flow of reactive power between the Generating Facility and the Public Utility's Electric Distribution System within limits established by the Public Utility. The Public Utility shall not be obligated to pay Interconnection Customer for any KVAR or KVARh flowing into the Public Utility's Electric Distribution System.

Islanding. If at any time during the term of this Interconnection Agreement the interconnection of the Generating Facility to the Public Utility's Electric Distribution System results in a risk of electrical islanding, or actual occurrences of electrical islanding, which the Public Utility reasonably concludes are incompatible with Good Utility Practice, the Parties shall (as necessary) study the issue and implement a solution that will eliminate or mitigate the risk of electrical islanding to a level deemed acceptable by the Public Utility. All costs associated with addressing any electrical islanding problems as required by this paragraph shall be paid by the Interconnection Customer, including without limitation any study costs, engineering costs, design costs, or costs to procure, install, operate and/or maintain required Interconnection Facilities or protective devices.

Voltage regulation. The Interconnection Customer agrees to operate at a  $\pm 95\%$  leading or lagging power factor. Prior to installation, Interconnection Customer shall provide the Public Utility with Written Notice of the device and/or operational constraints selected to satisfy this requirement and shall obtain the Public Utility's written approval of such device and/or operational constraints, which approval shall not be unreasonably withheld. In the event Interconnection Customer fails to operate the Generating Facility within the voltage regulation constraints of this requirement, the Public Utility may disconnect the Generating Facility.

Modification of nominal operating voltage level. By providing Interconnection Customer with a one hundred and eighty (180) day notice, the Public Utility may at its sole discretion change the Public Utility's nominal operating voltage level at the Point of Common Coupling. In the event of such change in voltage level Interconnection Customer shall, at Interconnection Customer's sole expense, modify Interconnection Customer's Interconnection Facilities as necessary to accommodate the modified nominal operating voltage level. Interconnection Customer has been



informed that initial use of a dual voltage Interconnection Customer may ameliorate the cost of accommodating a change in nominal operating voltage level.

Equipment conditions and failure. Interconnection Customer acknowledges that it is responsible for the Generating Facility in conformance with R746-312-17 (1) (c), including repair or replacement of Interconnection Customer's primary transformer and for any and all other components of the Generating Facility and the Interconnection Customer's Interconnection Facilities. Interconnection Customer is aware that its inability to timely repair or replace its transformer or any other component of the Generating Facility or Interconnection Customer's Interconnection facility could result in Interconnection Customer's inability to comply with its responsibilities under this Interconnection Agreement and could lead to disconnection of the Generating Facility from the Public Utility's Electric Distribution System and/or termination of this Interconnection Agreement pursuant to the terms of this Interconnection Agreement. Interconnection Customer acknowledges that the risk of this result is born solely by Interconnection Customer and may be substantially ameliorated by Interconnection Customer's elective maintenance of adequate reserve or spare components including but not limited to the Interconnection Customer's primary transformer.

Operation and maintenance of facilities not owned by the Public Utility. Interconnection Customer shall maintain, test, repair, keep accounts current on, or provide for the proper operation of any and all Interconnection Facilities in accordance with R746-312-14 (3-4) and allowing access to such maintenance records as allowed by R746-312-14 (5).

**Attachment 6 to SGIA**

**Public Utility's Description of its Upgrades  
and Best Estimate of costs**

The Public Utility shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades.

**Attachment 7**

**Scope of Work**