

Terms and Conditions for Interconnecting a Distributed Energy System (02-26)

1.0 Application

1.1 The Interconnection Member (the "Member") that is requesting to construct and install a Distributed Energy System to interconnect to Butler Electric Cooperative's (the "Cooperative") distribution system must submit an application prior to any connection of the Distributed Energy System and verify that such system is constructed, installed, and operated in accordance with all applicable standards and codes.

1.2 The Cooperative shall assess on the Member requesting to install a Distributed Energy System a fair and reasonable interconnection application fee, any applicable costs incurred by the Cooperative for any study conducted to verify and allow the requested capacity to be interconnected at the Member's point of deliver, and/or costs associated with any related system upgrade costs, devices and equipment required to be furnished by the Cooperative for the provision of accepting the requested capacity.

2.0 Construction of the Facility

2.1 The Member shall furnish, install, operate and maintain in good order and repair, at the member's expense, a listed device that is suitable for operation of the Member's Distributed Energy system in parallel with the Cooperative's system.

2.2 The Cooperative shall furnish, own, and maintain at its expense, all necessary meters and associated equipment utilized for billing. The Cooperative may install, at its expense, load research meters and equipment to monitor Member generation and load, and the Member shall provide at no expense to the Cooperative, a suitable location for such equipment.

2.3 Interconnection facilities including the Member's and the Cooperative's equipment shall be accessible at all reasonable times to Cooperative personnel.

2.4 The Member may proceed to construct (including operational testing not to exceed two hours) the Distributed Energy System when the Cooperative approves the Application.

3.0 Interconnection and Operation

3.1 Upon completing construction, the Member will cause the Distributed Energy System to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction if applicable, and

3.2 The Member returns the Certificate of Completion to the Cooperative, and

3.3 The Cooperative has either:

3.3.1 Completed its inspection of the Distributed energy System to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Cooperative, within ten Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Cooperative shall provide a written statement that the Distributed energy System has passed inspection or shall notify the Member of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

- 3.3.2 If the Cooperative does not schedule an inspection of the Distributed Energy System within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or
- 3.3.3 The Cooperative waives the right to inspect the Distributed Energy System.
- 3.4 The Cooperative has the right to disconnect the Distributed Energy System in the event of improper installation or failure to return the Certificate of Completion.
- 3.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

4.0 **Safe Operations and Maintenance**

- 4.1 The Member shall be fully responsible to operate, maintain, and repair the Distributed Energy System as required to ensure that it complies at all times with the Cooperative's Rules and Regulations and the Terms and Conditions Agreement to which it has been certified.
- 4.2 The Member shall install and maintain a visible, manual disconnect switch, within ten (10) feet of the Members billing meter. This manual switch must have the capability to be locked out by Cooperative personnel to isolate the Cooperative's facilities in the event of an electrical outage on the Cooperative's transmission and distribution facilities serving the Member. This isolating device shall also serve as a means of isolation for the Member equipment during any Member-generator maintenance activities, routine outages or emergencies.
- 4.3 For the purposes of ensuring the safety and quality of the Cooperative's system power, the Cooperative shall have the right to require the member, at certain times and as electrical operation conditions warrant, to limit the production of electrical energy from the generating facility to an amount no greater than the load at the Member's facility of which the Distributed Energy System is a part.
- 4.5 The Cooperative may periodically require a witness test of the Member's Distributed Energy System throughout the provision of the interconnected service.
- 4.5 The Member shall own and maintain any necessary export-limiting device.
 - 4.5.1 Protections shall be in place to restrict the export-limiting device settings to qualified persons.
 - 4.5.2 The cooperative shall have the option to require a witness test of the export-limiting device, device's functions or settings prior to granting permission to operate and at any time with the Distributed Energy System connected to the Cooperative's system.
 - 4.5.3 The export capacity of the interconnected system shall not be increased without prior approval of the Cooperative.
 - 4.5.4 If the export-limiting device's functions or settings are incorrect or if the device fails to limit the export of power below the designed export capacity for more than 15 minutes in a single event, the Member shall cease operation of the system until repair or reprogramming of the export-limiting device is completed. At such time the Cooperative may require and conduct a witness test prior to authorizing the Member to resume operation of the system.
 - 4.5.5 If a Member repairs or replaces a Distributed energy System, the member shall notify the Cooperative to such repair or replacement and provide proof that the new equipment complies with the same rules, regulations and approved capacity

as the original installation. The Cooperative shall have the right to require and conduct a witness test prior to authorizing operation of the system.

4.6 The member agrees to follow all Cooperative required labeling per NESC Code Requirements graph listed on the Cooperative's website at www.butler.coop/renewableenergy. Labeling must include an engraved placard (white on red) min ½" lettering for the Main PV System Disconnect. Cooperative reserves the right to deny the installation if the array is not labeled correctly.

5.0 Access

5.1 The Cooperative shall have access to the disconnect switch and metering equipment of the Distributed Energy System at all times. The Cooperative shall provide reasonable notice to the Member, when possible, prior to using its right of access.

6.0 Disconnection

The Cooperative may temporarily disconnect the Distributed Energy System upon the following conditions:

- 6.1 For scheduled outages upon reasonable notice.
- 6.2 For unscheduled outages or emergency conditions.
- 6.3 If the Distributed Energy System does not operate in the manner consistent with these Terms and Conditions.
- 6.4 Electric service to the Member's premises is discontinued for any reason.
- 6.5 Adverse electrical effects, such as power quality problems, are occurring or are believed to be occurring on the Cooperative's system or the electrical equipment of other Cooperative members.
- 6.6 The Cooperative identifies uninspected or unapproved equipment or modifications to the distributed energy system after initial approval.
- 6.7 There is recurring abnormal operation, substandard operation or inadequate maintenance of the distributed energy system.
- 6.8 The Member fails to remit payment to the Cooperative for any amounts owed, including, but not limited to, amounts invoiced.

7.0 Indemnification

7.1 The Member shall at all times indemnify, defend, and save Cooperative, its officers and its employees 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 Member's action or inactions of its obligations under this agreement on behalf of Cooperative, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

8.0 Limitation of Liability

8.1 Each party's liability to the other party for any lost, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act of omission in its performance of this 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, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 7.0.

8.2 The cooperative will not require a member whose facility meets the standards in this agreement to comply with additional safety or performance standards or perform or pay for additional tests or purchase additional liability insurance. The cooperative shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a distributed energy system or the acts or omissions of the member-generator that cause loss or injury, including death, to any third party.

9.0 **Termination**

The agreement to operate in parallel may be terminated under the following conditions:

9.1 **By the Member**

By providing written notice to the Cooperative.

9.2 **By the Cooperative**

If the Distributed Energy System fails to operate for any consecutive 6-month period or the Member fails to remedy a violation of these Terms and Conditions.

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Cooperative shall have the right to disconnect its facilities or direct the Member to disconnect its Distributed Energy System. This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the agreement.

10.0 **Assignment/Transfer of Ownership of the Facility**

10.1 This Agreement shall survive the transfer of ownership of the Distributed Energy System to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Cooperative.

Interconnection Customer Signature:

I agree to abide by the terms and conditions for Interconnecting a Distributed Energy System and return the Certificate of Completion when the Distributed Energy System has been installed.

Signed: _____
Physical Signature Required or DocuSign Confirmation

Name: _____ Date: _____

Cooperative Account Number: _____