

INTERCONNECTION AGREEMENT FOR CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS

This Interconnection Agreement for Customer-Owned Renewable Generation Systems (“Interconnection Agreement”) is made this _____ day of _____ 20 __, by and between Talquin Electric Cooperative, Inc. (“Cooperative”) and _____ (“the Customer”) located at _____, Florida, referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

Whereas, a Renewable Generation System (“RGS”) is an electric generating system that uses one or more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power as defined in Section 377.803, Florida Statutes, rated at no more than 1000 kilowatts (kW) alternating current (AC) power output and is primarily intended to offset part or all of a Customer’s current electricity requirements.

Whereas, the Customer has requested to interconnect its Renewable Generation System of ___ kW to the Cooperative’s electrical service grid at the Customer’s presently metered location; and

Whereas, the Cooperative and Seminole Electric Cooperative, Inc. (“Seminole”) have entered into that certain Wholesale Power Contract (“WPC”), effective as of July 30, 1975, which, as amended, has a term through December 31, 2045, and which provides, among other things, that the Cooperative may allow net metering for renewable energy resources which are located on a customer’s premises; and

Whereas, the Cooperative and Seminole have entered into that certain Net Metering Agreement dated May 20, 2009, which provides the standard interconnection requirements for a customer’s RGS installation.

Whereas, the Customer acknowledges the complexity and integrated nature of the Cooperative’s electric system, to which the Customer desires interconnection and with which Customer desires parallel operation, and

Whereas, the Customer acknowledges the important safety issues and financial consequences on the Cooperative’s electric system that could result from any deviation by the Customer from the requirements of this Agreement.

Now, Therefore, in consideration of the mutual covenants and agreements herein set forth, the Parties do hereby agree as follows:

- 1) The customer agrees to provide the Cooperative with written certification that the RGS installation has been inspected by the local code official who has certified that the installation was permitted and has been approved and has met all electrical and mechanical requirements.

Such certification shall be delivered to Cooperative prior to the operation of the RGS.

- 2) The Customer shall, prior to operation of the RGS, provide equipment specifications to the Cooperative identifying and certifying in writing that the RGS, inverters and associated equipment design, and installation and operation adhere to IEEE 1547 Standards, UL 1741 Standards, the National Electric Code, and, if applicable, has been approved by the Florida Solar Energy Center (FSEC Std 203-05).
- 3) The Customer is responsible for the inspection, maintenance, and testing in accordance with the manufacturer's instructions and applicable codes, standards, and regulations to insure that the RGS and associated equipment are operated correctly and safely.
- 4) The Customer agrees to permit the Cooperative and/or Seminole, if it should so choose, to inspect the RGS and its component equipment and the documents necessary to ensure compliance with various sections of this Interconnection Agreement both before and after the RGS goes into service and to witness the initial testing of the RGS equipment and protective apparatus. The Cooperative shall provide the Customer with as much notice as reasonably practicable, either in writing, e-mail, facsimile or by phone, as to when the Cooperative may conduct inspection or document review, and the Customer shall provide the Cooperative with as much notice as reasonably practicable regarding the testing of the RGS equipment and protective apparatus. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Customer agrees to provide the Cooperative access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement. The Customer shall notify the Cooperative at least ten (10) days prior to the in-service date of the RGS to provide sufficient notice for the Cooperative to be able to be present, if it so chooses, when the RGS is placed in service. Seminole shall have the same rights and duties of inspection as the Cooperative; however, nothing herein obligates the Cooperative or Seminole to inspect, and the failure of the Cooperative and/or Seminole to inspect or, upon inspection, to detect a problem or deficiency shall not transfer responsibility to Cooperative or Seminole nor relieve Customer of its duties hereunder.
- 5) The Customer is responsible for protecting the RGS, inverters, protection devices, and other system components from the normal and abnormal conditions and operation that occur on the Cooperative's electrical system in delivering and restoring system power. The Customer certifies that the RGS equipment includes a utility-interactive inverter or interconnection system equipment that ceases to interconnect with the utility upon a loss of utility power. The inverter shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally-recognized testing laboratory (NRTL) to comply with UL 1741. The NRTL shall be approved by the Occupational Safety & Health Administration (OSHA).
- 6) The Customer shall not energize the Cooperative's system when the Cooperative's system is de-energized. There shall be no intentional islanding, as described in IEEE 1547, between the Customer's and the Cooperative's systems.
- 7) The Customer shall provide and maintain Personal Injury and Property Damage Liability Insurance in the following amount, as applicable:

- a) Not less than \$100,000, for an RGS with a capability of ten (10) kW or less
- b) Not less than \$1,000,000, for an RGS with a capability greater than ten (10) kW and less than or equal to one hundred (100) kW
- c) Not less than \$2,000,000, for an RGS with a capability greater than one hundred (100) kW and less than or equal to one thousand (1,000) kW.

Proof of said insurance shall be provided by the Customer and attached to this Interconnection Agreement and all policy renewals shall be provided to the Cooperative.

- 8) The Customer shall, at the Customer's expense, install and maintain a manual disconnect switch to provide a separation point between the AC power output of the RGS and any Customer facilities connected to the Cooperative's electrical system. The manual disconnect switch shall be mounted separately from the meter socket and shall be readily accessible at all times to the Cooperative and shall be capable of being locked in the open position by the Cooperative. The Cooperative may open and lock the switch, isolating the RGS from the Cooperative's electrical service grid without prior notice to the Customer. To the extent practicable, the Cooperative will attempt to notify the Customer of its intent to disconnect the RGS from the Cooperative's electrical service grid, but shall have no liability for failure to do so.
- 9) "Gross power rating" ("GPR") means the manufacturer's AC nameplate generating capacity of the RGS that will be interconnected to and operate in parallel with the Cooperative's distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by .85 in order to account for losses during the conversion from DC to AC. It is the Customer's responsibility to notify the Cooperative of any change to the GPR of the RGS by submitting a new application for interconnection specifying the modifications at least thirty (30) days prior to making the modifications. If such modifications are approved by the Cooperative, an amendment to this Interconnection Agreement shall be executed by the Parties and the Customer recognizes and agrees that an increase in GPR in excess of ten (10) kW may impose additional requirements on the Customer.
- 10) The RGS must have a GPR that does not exceed ninety percent (90%) of the Customer's utility distribution service rating at the Customer's location. If the GPR does exceed that ninety percent (90%) limit, the Customer shall be responsible to pay the cost of upgrades for that distribution service to accommodate the GPR capacity and to ensure the ninety percent (90%) threshold is not breached.
- 11) The Cooperative will furnish, install, own and maintain metering equipment to measure kilowatt-hours (kWh) of energy and, if applicable, the kW of demand and time of use of said energy and demand. The Customer's service associated with the RGS will be metered at a single metering point, and the metering equipment shall be capable of measuring the net energy delivered by the Cooperative to the Customer and the net energy delivered by the Customer to the Cooperative on a monthly basis. The Customer agrees to provide safe and

reasonable access to the premises for installation of this equipment and its future maintenance or removal.

- 12) Once the Cooperative has received the Customer's written documentation that the requirements of this Interconnection Agreement have been met and the correct operation of the manual switch has been demonstrated to Cooperative, the Cooperative will, within ten (10) business days, send written notice that parallel operation of the RGS may commence.
- 13) The Customer shall indemnify, hold harmless and defend the Cooperative and Seminole from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property in any way directly or indirectly connected with, or growing out of operation of the RGS, except in those cases where loss occurs due to the grossly negligent actions of the Cooperative.
- 14) The Cooperative may charge a reasonable nonrefundable processing fee for interconnection of an RGS. Such fee, if any, is referenced on Sheet No. 4.3.1 in the Miscellaneous section of the Cooperative's Rate Tariff.
- 15) The Cooperative has the right, at the Customer's expense, to disconnect the RGS at any time. This may result from but is not limited to:
 - a) Cooperative and/or Seminole's system maintenance, operation and emergency operations;
 - b) Hazardous conditions existing on the Cooperative's and/or transmission provider's system due to the operation of the RGS generating or protective equipment as determined by the Cooperative or Seminole;
 - c) Adverse electrical effects on the electrical equipment of the Cooperative's other electric customers as determined by the Cooperative;
 - d) Failure by the Customer to adhere to the terms of this Interconnection Agreement; and,
 - e) Failure by Customer to pay sums due to the Cooperative for electric service or any other reason.
- 16) On the termination of this Interconnection Agreement, the Cooperative, at the Customer's expense, shall open and padlock the manual disconnect switch and remove any additional Cooperative equipment associated with the provision of net metering service. At the Customer's expense, the Customer agrees to permanently isolate the RGS and associated equipment from the Cooperative's electric service grid. The Customer shall notify the Cooperative within ten (10) working days that the disconnect procedure has been completed.
- 17) The Parties agree that the sole and proper jurisdiction and venue for any legal action brought to enforce this Interconnection Agreement or to address the rights and obligations of this Interconnection Agreement shall be the State Court of the proper jurisdiction located within the State of Florida.

18) In the event of any dispute hereunder for any action to interpret or enforce this Interconnection Agreement, the prevailing Party shall be entitled to recover its reasonable costs, fees and expenses, including, but not limited to, witness fees, expert fees, consultant fees, attorney, paralegal and legal assistant fees, costs and expenses and other professional fees, costs and expenses whether suit be brought or not, and whether in settlement, in any declaratory action, at trial or on appeal.

19) Any written notice required or appropriate hereunder shall be deemed properly made, given to, or served on the Party to which it is directed, when sent by the United States certified mail, Return Receipt Requested, addressed as follows:

If to Customer:

If to Cooperative:

Talquin Electric Cooperative, Inc.
1640 West Jefferson Street
Quincy, FL 32351-2134

Notice of any change in any of the above addresses shall be deemed in the manner specified in this section.

20) Other Special Provisions:

- a) Any Customer connecting a RGS may be required to pay the cost of any system upgrades necessary for the interconnection to the Cooperative's electrical service grid, including the cost of the metering system.
- b) The Cooperative shall charge for electricity delivered to the Customer in excess of the generation supplied by the Customer's RGS at the Cooperative's applicable rate schedule. Regardless of whether excess energy is delivered to the Cooperative's electrical service grid, the Customer shall pay all charges associated with the applicable rate schedule, including any contractual minimum.
- c) Excess energy credits shall accumulate and be used to offset the customer's energy usage in subsequent monthly billing cycles for a period of not more than twelve months. At the end of each calendar year, the Cooperative shall credit the customer for any unused energy credits at the amount published in Rate Schedule QF – 1 (Standard Rate for Purchase of As-Available Energy From Qualifying Facilities of 100kW or Less) of Seminole Electric Cooperative, Inc. The credit will be applied to the next monthly billing (January of the following calendar year).

- d) When a Member disconnects an account with an RGS and interconnection agreement with the Cooperative, any unused credits for excess kWh generated shall be paid to the customer at the rate published in Seminole Electric Cooperative's Rate Schedule QF – 1.
- e) Excess energy credits will only be applied to the account and meter behind which the customer's RGS is located. Excess energy credits will not be transferred to any other account(s) of the Member.

21) This Interconnection Agreement, when duly executed, constitutes the entire agreement between the Parties with respect to matters herein contained.

The representative executing this agreement below acknowledges that a copy of the Cooperative's Net Metering Tariff, current as of the date of execution of this agreement, and a copy of Seminole Electric Cooperative's Rate Schedule QF-1, current as of the date of execution of this agreement, are attached hereto and have been received by the representative. Furthermore, this representative acknowledges that the Net Metering Tariff and Rate Schedule QF-1 are subject to change from time to time.

In Witness Whereof, the Parties hereto have caused this Interconnection Agreement to be duly executed in triplicate the day and year first above written.

Member: Print Name or Organization

Talquin Electric Cooperative, Inc.

By: _____
Signature: Authorized Representative

By: _____
Signature

Print Name and Title

Print Name and Title