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| RATES SCHEDULE NM - NET METERING | C 4/8/09 |

## APPLICABILITY

Net metering is available to customer-generators who own, operate and maintain electrical generating facilities using solar energy designed to operate in parallel with the existing South Kentucky RECC electrical distribution system and be primarily intended to offset part or all of the customer-generator's own electrical requirements.

## AVAILABILITY OF NET METERING SERVICE

An eligible customer-generator must be a member of and take electrical service from South Kentucky RECC. South Kentucky RECC will make this service available to customergenerators on a first-come, first-served basis until the cumulative generating capacity of net metered systems reaches one tenth of one percent ( $0.1 \%$ ) of the Cooperative's single hour peak load during the previous year.

## SERVICE CONDITIONS (TYPE OF SERVICE)

a. The generating facility shall comply with all of the following requirements:
i. The generating facility must have a rated capacity of not more that fifteen (15) kilowatts.
ii. The generating facility must be owned and operated by the customer.
iii. The generating facility must be located on the customer's premises.
iv. The generating facility must be designed and installed to operate in parallel with South Kentucky RECC's electrical distribution system without adversely affecting the quality of service of other customers and without presenting safety hazards to Cooperative customers and Cooperative employees and agents, thereof.
b. Prior to interconnection, the customer-generator shall complete the Application for Net Energy Metering, execute an Interconnection fgreement for Net Metering Service, enter into a Customer Net Energy Service Aquemeqt, seqpaccetcommISSION applicable fees, charges or costs as prescribed with in this tariff gokionTUCKY interconnection with the South Kentucky RECC distribution systeゅFFECTIVE


SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
c. Prior to interconnection, the customer-generator's electrical generating and interconnection equipment shall be installed in accordance with the manufacturer's specifications, shall have been tested by a nationally recognized testing laboratory as having met the testing requirements of IEEE Standard 1547, and shall meet all applicable safety and performance standards established in all applicable local and state building codes. Certification by a licensed electrician shall constitute acceptable proof that the customer-generator's electrical generating facility has been properly installed in accordance with above.
d. The customer-generator is responsible for all equipment and installation costs associated with its electric generating facility and any modification costs to the facility that may be required by South Kentucky RECC for purposes of safety and reliability.
e. When construction, modifications, or upgrades to the South Kentucky RECC distribution system are required to interconnect the customer-generator's electric generating facility, the customer-generator is responsible for all costs incurred by the Cooperative.
f. The customer must provide and install a clearly labeled, South Kentucky RECC approved, lockable, visible-break, disconnect switch between the cooperative's distribution system and the customer-generator's electrical generating equipment. This disconnect switch must be accessible to the Cooperative at all times.
g. South Kentucky RECC maintains the right to disconnect, without liability, the customer-generator for issues relating to safety and reliability.
h. South Kentucky RECC maintains the right to verify proper installation and inspect the customer-generator's facilities to ensure continued safe operation of the electrical generating equipment and interconnection system at any time with reasonable advance notice to the customer-generator.
i. South Kentucky RECC shall not be liable directly pr indirectly for permitting or continuing to allow an attachment of a net metering fairy

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omissions of the customer-generator that cause loss or injury, including death, to any third party.

## EOUIPMENT OPERATION

The customer-generator's electrical generating and interconnection equipment shall comply with all applicable safety, performance, and power quality standards established by the Institute of Electrical and Electronic Engineers, the National Electrical Code, and the National Electrical Safety Code.

## METERING

Net metered electricity shall be measured in accordance with standard metering practices established by South Kentucky RECC using metering equipment capable of measuring and recording energy flows, on a kWh basis, from the Cooperative to the customer-generator and from the customer-generator to the Cooperative, with each directional energy flow recorded independently. If time-of-day or time-of-use metering is used, the electricity fed back to the electric grid by the customer-generator shall be metered and accounted for at the specific time it is fed back to the electric grid in accordance with the time-of-day or time-of-use billing agreement currently in place. If the customer generator's existing electrical meter is not capable of registering the flow of electricity in two directions, the customer shall be responsible for all expenses involved in purchasing and installing a meter (or meters) that is able to register electricity flow in two directions. All metering shall be capable of working with any automatic meter reading systems used by South Kentucky RECC.

## BILLING AND PAYMENT

For charges collected on the basis of metered registration, South Kentucky RECC shall, for each monthly billing period, determine the net meter registration of the customer-generator by comparing the directional energy flow in each direction. If the net meter registration shows that the deliveries of energy in kWh from the customer-generator to the Cooperative exceed the deliveries of energy in kWh from the Cooperative to the customer-generator, the net meter registration in kWh will be carried forward to the next monthly billing period as a Net Metering Credit, expressed in kWh . If the customer-g nerator has carried over a Net
 month shall be added to the Net Metering Credit that exist from prior men KENTUCKY

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If the net metering registration shows that deliveries of energy in kWh from the Cooperative to the customer-generator exceed the deliveries of energy in kWh from the customergenerator to the Cooperative, the customer-generator shall pay the Cooperative for the net amount of energy delivered by the Cooperative after application of any Net Metering Credit carried forward from previous months at the rate applicable to its type or class of electric service.
The customer shall be responsible for payment of any applicable customer charge or other applicable charges.

At no time shall South Kentucky RECC be required to convert the Net Billing Credit to cash. If a customer-generator closes his account, no cash refund for residual Net Metering Credits shall be paid.

Net Metering Credits are not transferable between customers or locations.

## LIABILITY INSURANCE

The customer-generator shall maintain general liability insurance coverage (through a homeowner's, commercial or other policy) against a loss arising from the use or operation of the customer-generator facilities with minimum limits of $\$ 300,000$ per occurrence $\$ 300,000$ aggregate combined single limit for personal injury, bodily injury, including death and property damage. Prior to interconnection, the customer shall submit evidence of such insurance to South Kentucky RECC with the Application for Net Energy Metering. South Kentucky RECC's receipt of evidence of liability insurance does not imply an endorsement by the Cooperative of the terms and conditions of the coverage.

## ADDITIONAL CONTROLS AND TESTS

South Kentucky RECC may install additional controls or meters, or conduct additional tests as it may deem necessary.


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Agreement for Net Metering Service. The customer-generator's generating facility shall be designed and installed to operate in parallel with South Kentucky RECC's electric distribution system without adversely affecting the operation of equipment and service of the Cooperative and its customers and without presenting safety risks to Cooperative and customer personnel. The customer-generator will own and be responsible for operating the electrical generator and interconnection equipment. The customer-generator will be responsible for any damage done to the Cooperative's equipment due to a failure of the customer-generator's control, safety, or other equipment. The customer-generator will protect and save the Cooperative harmless from all claims for injury or damage to persons or property occurring on the customer-generator's premises, except where the said injury or damage can be shown to have been occasioned solely by negligence on the part of South Kentucky RECC.

## APPLICATION AND AGREEMENTS

A customer-generator seeking to interconnect an Eligible Electric Generating Facility to the Company's distribution system must submit to the Company the following documents:
a. Application for Net Energy Metering, completed and executed, including a one-line diagram showing the configuration of the customer-generator's facility;
b. Interconnection Agreement for Net Metering Service, executed prior to interconnection; and,
c. Customer Net Energy Service Agreement, executed prior to interconnection.

The Company may reject an application for demonstrable reliability or safety issues; however, the Company will work with the customer to resolve those issues to the extent practicable.

## FEES AND CHARGES

As specified in the Application for Net Energy Metering, the customer-generator must pay a non-refundable application fee of $\$ 50$. Should South Kentucky RECC determine that an interconnection impact study is required, the Cooperative will advise the customer of the cost of conducting the study. Upon payment by the customer or RblBbfensgrdylosaspMMISSION

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installation of the customer's electric generating facility will have a significant impact on the Cooperative's distribution system or on the quality of service to other customers. Should construction or upgrades to East Kentucky Power Cooperative's transmission system or to South Kentucky RECC's distribution system be required in order to interconnect the customer's electric generating facility, additional charges to cover costs incurred by EKPC or South Kentucky RECC shall be determined by South Kentucky RECC and paid by the customer. The customer shall pay any additional charges, as determined by South Kentucky RECC, for equipment, labor, metering, testing, or inspections requested by the customer, or needed by the Cooperative to interconnect and receive power from the customer-generator's generating facility.

## RULES AND REGULATIONS

Service and rates under this schedule are subject to all applicable South Kentucky RECC Rules and Regulations as filed with the Public Service Commission of Kentucky. The Rules and Regulations address general terms and conditions, service conditions, new service procedures, and miscellaneous service charges, and are a part of all contracts for receiving electric service from the Cooperative, whether the service received is based upon a contract, agreement, signed application, or otherwise.

## TRANSFERABILITY

A customer-generator generating facility is transferable to other persons or service locations only after notification to South Kentucky RECC has been made and verification that the installation is in compliance with this tariff.

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## SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

 Application for Net Energy MeteringThis application should be completed as soon as possible and returned to the Cooperative Customer Service representative in order to begin processing the request.

This application is used by the Cooperative to determine the required equipment configuration for the Customer interface. Every effort should be made to supply as much information as possible.

OWNER/APPLICANT INFORMATION
Company:
Mailing Address: $\qquad$
City: $\qquad$ County: $\qquad$ State: Zip

Code: $\qquad$
Phone
Number: $\qquad$ Representative: $\qquad$
Electric Account Number: $\qquad$
Service Location Address: $\qquad$

## PROJECT DESIGN/ENGINEERING (as applicable)

Company:

Contact: $\qquad$
Mailing Address: $\qquad$
City: $\qquad$ County: $\qquad$ State: $\qquad$ Zip
Code: $\qquad$

Phone Number: $\qquad$ PUBLIC SERVICE COMMISSION
 4/1/2005 DATE OF ISSUE __ February 25, 2005 ISSUED BY allex Cenduaor

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## ELECTRICAL CONTRACTOR (as applicable)

Company: $\qquad$
Contact: $\qquad$
Mailing Address: $\qquad$
City: $\qquad$ County: $\qquad$ State: $\qquad$
Code: $\qquad$
Phone Number: $\qquad$

PV GENERATING SYSTEM
Size $\quad \mathrm{kW}$
Expected Start-Up Date $\qquad$

INVERTER DATA (if applicable)
Manufacturer: $\qquad$ Model: $\qquad$
Kilowatt Rating: $\qquad$ Kilovolt-Ampere Rating: $\qquad$
Rated Power Factor (\%): $\qquad$ Rated Voltage (Volts): $\qquad$ Rated Amperes: $\qquad$
Note: Attach all available calculations, test reports, and oscillographic prints showing inverter output voltage and current waveforms.

## DESCRIPTION OF PROPOSED INSTALLATION AND OPERATION

Give a general description of the proposed installation, including a detaitedeseription of itsplammeleration-
and when you plan to operate the generator.

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## ADDITIONAL INFORMATION

In addition to the items listed above, please attach a detailed one-line diagram of the proposed facility, all applicable elementary diagrams, major equipment, (generators, transformers, inverters, circuit breakers, protective relays, etc.) specifications, test reports, etc., and any other applicable drawings or documents necessary for the proper design of the interconnection. Also describe the project's address or grid coordinates.

## INTERCONNECTION COMPLIANCE \& OWNER ACKNOWLEDGEMENT

- Customer shall be solely responsible for obtaining and complying with any and all necessary easements, licenses and permits, or exemptions, as may be required by any federal, state, local statutes, regulations, ordinances or other legal mandates.
- The customer shall submit documentation to the Cooperative that the system has been inspected and approved by the local permitting agency regarding electrical code requirements.
- Customer shall not commence parallel operation of the generating system until written approval of the interconnection has been given by the Cooperative.

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## SIGN OFF AREA

The customer agrees to provide the Cooperative with any additional information required to complete the interconnection. The customer shall operate his equipment within the guidelines set forth by the cooperative.

Applicant
Date

ELECTRIC COOPERATIVE CONTACT FOR APPLICATION SUBMISSION AND FOR MORE INFORMATION:

Cooperative contact: $\qquad$

Title:
Address:
South Kentucky RECC
P.O. Box 910

Somerset, KY 42502
Phone:
(606) 678-4121

Fax:
(606) 679-8279
e-mail:


$\qquad$
$\qquad$

# Interconnection Agreement for Net Metering Service Attachment to Cooperative Net Metering Tariff for Net Metering Service 

This agreement is between $\qquad$ (Customer-Generator) and South Kentucky Rural Electric Cooperative Corporation (Cooperative) and is effective as of
$\qquad$ —.

Whereas, Customer-Generator owns or intends to install and own an electric energy generating facility ("Facility") qualifying for "Net Metering" in accordance with Cooperative's currently effective tariff as filed with the Kentucky Public Service Commission, to be located on Customer's premises located at $\qquad$ for the purpose of generating electric energy; and

Whereas, Customer-Generator wishes to sell and Cooperative is willing to accept energy produced by the Facility onto its distribution system;

Now, Therefore, the parties agree:

1. Generating Facility: Customer-Generator's Facility shall consist of a solar photovoltaic generating facility located on Customer-Generator's premises, with a total capacity of not more than fifteen (15) kilowatts. Said facility will be interconnected and operated in parallel with Cooperative's distribution system, and is intended primarily to offset part or all of Customer-Generator's own electrical requirements.
2. Term: This agreement shall commence when signed by both Goperative and Customer ISSION Generator and terminate with any change in ownership,
both parties.


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3. Interconnection: Customer-Generator shall provide the interconnection on CustomerGenerator's side of the point of common coupling. At Customer-Generator's expense, Cooperative shall make reasonable modifications to Cooperative's system necessary to accommodate Customer-Generator's Facility. The cost for such modifications is due in advance of construction. The net metering system used by Customer-Generator shall include, at Customer-Generator's own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by Cooperative's electric service requirements, the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers (specifically IEEE Standard 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems"), and Underwriters Laboratories.
Cooperative's written approval of Customer-Generator's protection-isolation method to ensure generator disconnection in case of a power interruption from Cooperative is required before service is provided under this schedule.
4. Impact Studies: The Cooperative shall review the application for net metering service to determine if a detailed system impact study for the proposed project is required. If a system impact study is required, the customer-generator will be advised of the estimated cost of the study, and will be asked to agree to reimburse the Cooperative for these costs once the study is completed. When construction, modifications, or upgrades to the distribution system are required to interconnect the customer-generator's electric generating facility, the customergenerator is responsible for all costs incurred by the Cooperative. Once the customergenerator has reimbursed the Cooperative for any costs of system modifications (if required), the interconnection process will proceed.
5. Disconnect Switch: Customer-Generator shall furnish and install on Customer-Generator's side of the point of common coupling a safety disconnect switch which shall be capable of fully disconnecting the Customer-Generator's energy generating equipment from Cooperative's electric service. The disconnect switch shall be located adjacent to Cooperative's meters and shall be of the visible break type in a metal enclosure which can be secured by a padlock. The disconnect switch shall be accessible to Cooperative personnel at all times. Cooperative shall have the right to disconnect the Facility from Cooperative's supply at the disconnect switch when necessary to maintain safe electrical operating conditions or, if in Cooperative's sole judgement, the Facility at any time adversely affects Cooperative's operation of its electrical system or the quality of Cooperative's service to other


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6. Functional Standards: Customer-Generator shall furnish, install, operate and maintain in good order and repair, all without cost to Cooperative, all equipment required for the safe operation of the Facility in parallel with Cooperative's system. This equipment shall include, but not limited to, equipment necessary to establish automatically and maintain synchronism with Cooperative's electric supply and a load break switching device that shall automatically disconnect the unit from Cooperative's supply in the event of overload or outage of Cooperative's supply. The facility shall be designed to operate within allowable voltage variations of Cooperative's system. The Facility shall not cause any adverse effects upon the quality of service provided to Cooperative's Customers.
7. Installation and Maintenance: Excepting only metering equipment owned by Cooperative, all equipment on Customer-Generator's side of the point of common coupling, including any required disconnect switch and synchronizing equipment, shall be provided, installed, and maintained in satisfactory operating condition by Customer-Generator, and shall remain the property and responsibility of Customer-Generator. Cooperative shall bear no liability for Customer-Generator's equipment or for consequences of its operation or mis-operation. For purposes of gathering research data, Cooperative may at its expense install and operate additional metering and data-gathering devices.
8. Pre-operation Inspection: Prior to interconnection, the Facility and associated interconnection equipment shall be inspected and approved by the state electrical inspector and any other governmental authority having jurisdiction.
9. Access: Authorized Cooperative employees shall have the right to enter upon CustomerGenerator's property for the purposes of operating the disconnect switch and meters and making additional tests concerning the operation and accuracy of its meters.
10. Merger: This contract contains the entire agreement between Customer-Generator and Cooperative and may not be changed except by writing signed by both Customer-Generator and Cooperative.

In witness whereof, Cooperative and Customer-Generator have, by their duly authorized representatives, executed this agreement in duplicate as of the day and year first above
written.

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## DATE

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SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
BY:

TITLE: $\qquad$

DATE: $\qquad$
[CUSTOMER-GENERATOR NAME]
BY:

TITLE: $\qquad$

DATE: $\qquad$

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# Customer Net Energy Service Agreement Attachment to the Net Metering Tariff <br> for <br> Net Metering Service 

## 1. Scope of Agreement

This Agreement states the conditions for net metering for customer-generators who own, operate, and maintain electrical generating facilities using solar energy designed to operate in parallel with the existing Cooperative's electrical distribution system and be primarily intended to offset part or all of the customer-generator's own electrical requirements.

## 2. Definitions

"Cooperative" shall mean South Kentucky Rural Electric Cooperative Corporation, the retail electricity supplier serving the customer-generator.
"Customer-generator" means a customer who owns and operates an electric generating facility that is located on the customer's premises, for the primary purpose of supplying all or part of the customer's own electricity requirements.
"Electric generating facility" or "facility" means an electric generating facility that is connected in parallel with the electric distribution system; generates electricity using solar energy; and has a rated capacity of not greater than fifteen (15) kilowatts.
"Point of common coupling" means the point where a generating facility is connected to the Cooperative's distribution system.

## 3. Establishment of Point of Common Coupling

The Cooperative and the customer-generator agree to interconnect the Facility at the Point of Common Coupling in accordance with the Cooperative's rules, regulations, by-laws, rates, and tariffs (the "Rules") all of which are incorporated herein by reference.

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## 4. Interconnection

The customer-generator shall provide all equipment and perform all electrical interconnections on its side of the point of common coupling. The Cooperative will make such modifications to the Cooperative's distribution system as are reasonably necessary to accommodate the customer-generator's facility. The customer-generator shall be responsible for the costs of any such modifications and payment shall be due thirty (30) days in advance of construction. The customer-generator shall meet all requirements of the Interconnection Agreement for Net Metering Service and shall ensure, at its own expense, that the Facility includes all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by Cooperative policies, the National Electric Code, National Electric Safety Code, the Institute of Electrical and Electronic Engineers, the Kentucky State Building Code, and Underwriters Laboratories. The customer-generator shall not commence parallel operation of the Facility until the Cooperative has inspected the Facility, including all interconnection equipment, and issued a written approval which includes a stipulated start date following which operations in parallel are permitted. The Cooperative maintains the right to verify proper installation and inspect the customergenerator's Facility to ensure continued safe operation of the electrical generating equipment and interconnection system at any time with reasonable advance notice to the customergenerator.

## 5. Installation, Operation and Maintenance of Facilities

The customer-generator shall furnish, install, operate and maintain in good order and repair, without cost to the Cooperative, all generating and interconnecting equipment required for the safe operation of the Facility in parallel with Cooperative's electrical distribution system. This includes, but is not limited to, equipment necessary to automatically disconnect the Facility from Cooperative's electrical distribution system in the event of overload or outage of Cooperative's distribution system.

Except for the bi-directional metering equipment owned by the Cooperative, all equipment on the customer-generator's side of the point of common coupling, including the required disconnect device, shall be provided and maintained in satisfactory operating condition by the customer-generator and shall remain the property and responsibility of the customergenerator.

The Facility must be designed to operate within allowable
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Cooperative's electrical distribution system. The Facility
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quality or reliability of service provided to other Cooperative customers. The Cooperative shall have the right to periodically inspect the Facility.

The Cooperative will bear no responsibility for the installation or maintenance of the customer-generator's equipment or for any damage to property as a result of any failure or malfunction thereof. The Cooperative shall not be liable, directly or indirectly, for permitting or continuing to allow the interconnection of the Facility or for the acts or omissions of the customer-generator or the failure or malfunction of any equipment of the customergenerator's facility that causes loss or injury, including death, to any party.

## 6. Permits and Compliance with Codes, Standards, Rules, Regulations and Laws

The customer-generator shall file in a timely manner applications for all governmental authorizations and permits that are required for the Facility prior to construction of the Facility. Prior to the initial start-up date, the customer-generator shall obtain all governmental authorizations and permits required for operation of the Facility and shall maintain all required governmental authorizations and permits required for the Facility during the term hereof. The customer-generator shall provide copies of any such authorizations, permits and licenses to the Cooperative upon request. The customergenerator agrees to cause its Facility to be constructed in accordance with the rules and specifications equal to or better than those provided by the National Electrical Safety Code and the National Electrical Code, both codes approved by the American National Standards Institute, in effect at the time of construction.

The customer-generator shall maintain the electric generating system and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations, and obtain any governmental authorizations and permits required for the construction and operation of the electric generating system and interconnection facilities. The customer-generator shall reimburse the Cooperative for any and all losses, damages, claims, penalties, or liability it incurs as a result of the customer-generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of customer-generator's Facility.

## 7. Responsible Party

The customer-generator shall identify an individual (by nane or title) SERYIGE COMMISSION responsible party for operation and maintenance of the customer-generatoE FactitheThis


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individual shall be familiar with this Agreement as well as the provisions of any other agreements, rules or regulations that may apply.

## 8. Price, Payment and Credit

Net metered electricity shall be measured in accordance with standard metering practices established by the Cooperative.
a. Retail Sales to Member/Customer

If the net metering registration shows that deliveries of energy in kWh from the Cooperative to the customer-generator exceed the deliveries of energy in kWh from the customer-generator to the Cooperative, the customer-generator shall pay the Cooperative for the net amount of energy delivered by the Cooperative after application of any Net Metering Credit carried forward from previous months at the rate applicable to its type or class of electric service.
b. Energy Deliveries to Cooperative

If the net meter registration shows that the deliveries of energy in kWh from the customer-generator to the Cooperative exceed the deliveries of energy in kWh from the Cooperative to the customer-generator, the net meter registration in kWh will be carried forward to the next monthly billing period as a Net Metering Credit, expressed in kWh . If the customer-generator has carried over a Net Metering Credit from one or more prior months, the net meter registration from the current month shall be added to the Net Metering Credit that exists from prior months.

At no time shall the Cooperative be required to convert the Net Billing Credit to cash. If a customer-generator closes his account, no cash refund for residual Net Metering Credits shall be paid. Net Metering Credits are not transferable between customers or locations.

## 9. Impact Studies and System Modifications

As part of the process of accommodating the interconnectis Facility to the Cooperative distribution system, the Coop ratiyes shdd sondrgtee inididMISSION review that includes a meeting/discussion with the customer-generatorder redvy he KY application and scope of the project. The Cooperative may conduct internequadiasif


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deemed necessary and at no additional cost to the customer-generator, such as but not limited to the review of capacity issues, system protection, aggregate harmonics analysis, aggregate power factor, and voltage regulation. The initial review will determine if a detailed system impact study for the proposed project is required.

If a system impact study is required, the customer-generator will be advised of the estimated cost of the study and shall reimburse the Cooperative for these costs once the study is completed. Only after the customer-generator has signed the Impact Study Agreement, will the study be conducted. The impact study shall evaluate, in detail, the impact of the proposed interconnection on the safety and reliability of the Cooperative's distribution system, and assesses whether any system modifications are required for interconnection. When construction, modifications, or upgrades to the distribution system are required to interconnect the customer-generator's electric generating facility, the customer-generator shall reimburse the Cooperative for all costs incurred. Once the customer-generator has reimbursed the Cooperative for any costs of system modifications (if required), the interconnection process will proceed.

## 10. Interruption or Reduction of Deliveries

The Cooperative may require the customer-generator to interrupt or reduce deliveries as follows: a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of the Cooperative's equipment or system; or, b) if the Cooperative determines in its sole discretion that curtailment, interruption, or reduction is necessary because of emergencies, abnormal system operation, faulted conditions, or compliance with prudent electrical practices. Whenever possible, the Cooperative shall give the customer-generator reasonable notice of the possibility that interruption or reduction of deliveries may be required.

Notwithstanding any other provision of this Agreement, if at any time the Cooperative determines that either:

- the generating facility may endanger Cooperative personnel, or,
- the continued operation of customer-generator's generating facility may endanger the integrity of Cooperative's electric system,


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The Cooperative shall have the right to disconnect the customer-generator's Facility from the Cooperative's distribution system. The customer-generator's Facility shall remain disconnected until such time as the Cooperative is satisfied that the above-referenced condition(s) have been corrected.

## 11. Indemnity and Liability

The customer-generator hereby indemnifies and agrees to hold harmless and release the Cooperative and its officers, employees, contractors, and agents and each of the heirs, personal representatives, successors, and assigns of any of the foregoing (collectively, the "Indemnitees") from and against any and all losses, claims, damages, costs, demands, fines, judgments, penalties, obligations, payments, and liabilities, together with any costs and expenses (including without limitation attorneys' fees and out-of-pocket expenses and investigation expenses) incurred in connection with any of the foregoing, resulting from, relating to, or arising out of, or in connection with: a) any failure or abnormality in the operation of the customer's generating Facility or any related equipment; b) any failure of the customer-generator to comply with the standards, specifications, or requirements referenced in this Agreement which results in abnormal voltages or voltage fluctuations, abnormal changes in the harmonic content of the generating facility output, single phasing, or any other abnormality related to the quantity or quality of the power produced by the generating facility; c) any failure of the customer-generator duly to perform or observe any term, provision, covenant, agreement, or condition hereunder to be performed or by or on behalf of the customer or d) any negligence or intentional misconduct of customer related to the operation of the generating system or any associated equipment or wiring.

The customer-generator shall, upon the Cooperative's request, defend any suit asserting a claim covered by this indemnity. The customer-generator shall pay all costs (including reasonable attorneys' fees and costs) that may be incurred by the Cooperative in enforcing this indemnity.

## 12. Liability Insurance

The customer-generator shall maintain general liability insurance coverage (through a homeowner's, commercial, or other policy) against a loss arising from the use or operation of the customer-generator Facility with minimum limits of $\$ 300000$ per 06 aggregate combined single limit for personal injury, bodily injuby including death and property damage. Prior to interconnection, the customer-generan shat such insurance to the Cooperative with the Application for Net Metered 5 4/1/2005

P.S.C. KY. NO.

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

Original $\qquad$ SHEET NO. $\qquad$
Original ,

## APPENDIX I

Service. The Cooperative's receipt of evidence of liability insurance does not imply an endorsement by the Cooperative of the terms and conditions of the coverage.

## 13. Equipment Certification

All inverters and associated interconnection equipment shall have been tested by a Nationally Recognized Testing Laboratory as having met the testing requirements of IEEE Standard 1547. Inverters and associated interconnection equipment listed for generating facility application (up to the size range covered by this Agreement and the Net Energy Metering tariff) listed on the following websites are hereby approved for application and installation under the terms of this Agreement and the terms of the Net Energy Metering Tariff:

## List of Approved Equipment

http://www.dps.state.ny.us/SIRDevices.PDF
http://www.fsec.ucf.edu/pvt/buyinstallpv/pvapprovals/approvals1.htm http://www.consumerenergycenter.org/cgi-bin/eligible inverters.cgi
http://www.consumerenergycenter.org/cgi-bin/eligible pvmodules.cgi

## 14. Testing and Testing Records

The customer-generator shall provide to the Cooperative all records of testing. These records shall include testing at the start of commercial operation and periodic testing thereafter. Factory testing of the protective systems shall be acceptable. In the case of a factory test, the customer-generator shall provide a written description and certification by the factory of the test, the test results, and the qualification of any independent testing laboratory. In addition, the settings of the equipment being installed are to be approved by the Cooperative prior to operating in parallel with the Cooperative's distribution system.

## 15. Rights of Access

The Cooperative may send an employee, agent, or contractor to the premises of the customergenerator at any time whether before, during, or after the time the Facility first produce energy to inspect the Facility and observe the Facility's installation, commissioning (including any testing), startup, operation, and maintenance. At any time the Cooperative, its employees, agents, or contractors shall have access to the customer-generators premises for
 Agreement, the Rules, or to provide service to its customers.


BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSIoN
IN CASE NO. $\qquad$ DATED

Original $\qquad$ SHEET NO. COOPERATIVE CORPORATION
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## 16. Capacity Limit

This Agreement only applies to one or more photovoltaic generation facilities owned by the customer-generator and having a total installed capacity of up to 15 kW . If at any time the total site capacity of a generating facility previously covered under the terms of this Agreement exceed this capacity limit, the customer-generator is then in default of this Agreement. In this case, the provisions of Article 18, Default, will apply.

## 17. Disconnection of Facilities

The Cooperative maintains the right to disconnect, without liability, the customer-generator's Facility, and suspend service, in cases where continued operation may endanger persons, the Cooperatives' distribution system, or other property. If the operation of the customergenerator's Facility poses an immediate danger to persons or the public, or the safe and stable operation of the Cooperative's distribution system, the Facility may be disconnected from the distribution system with no prior notice. In other cases, the customer-generator will be provided with an opportunity to correct the situation prior to disconnection. During an unplanned outage of the distribution system serving the customer-generator's Facility, the Cooperative shall have the right to suspend service and disconnect the Facility from the system to effect repairs on the system; in this case, the Cooperative shall use its reasonable efforts to provide the customer-generator with reasonable prior notice.

The customer-generator shall disconnect the facility from the system, or the Cooperative shall have the right to disconnect the Facility from the system, in the case of customergenerator's default under the terms of this Agreement.

## 18. Default

Any one or more of the following acts or omissions of the customer-generator shall constitute an event of default hereunder:

- Failure to comply with the capacity limit of this Agreement;
- Failure to maintain the requisite levels of liability insurance in full force;
- Failure to install, operate and maintain the generating facility in accordance with all applicable standards, rules, regulations and laws;

$\qquad$ COOPERATIVE CORPORATION $\qquad$
- Failure to maintain any records, or submit any reports or test results required hereunder; and/or,
- Failure to perform any of the other covenants and conditions of this Agreement.

Upon the occurrence of any of these events of default, the Cooperative may take any one, or more, or all, of the following actions:

Give the customer-generator a written notice specifying the event of default and requiring it to be remedied within thirty (30) days from the date of notice;

If the event of default is not timely remedied, a) terminate this agreement, effective two (2) days after giving the customer-generator notice of termination, and b) disconnect the Facility in accordance with the provisions of Article 17.

## 19. Metering

Metering equipment shall be capable of measuring and recording energy flows, on a kWh basis, from the Cooperative to the customer-generator and from the customer-generator to the Cooperative, with each directional energy flow recorded independently. If time-of-day or time-of-use metering is used, the electricity fed back to the electric grid by the customergenerator shall be metered and accounted for at the specific time it is fed back to the electric grid in accordance with the time-of-day or time-of-use billing agreement currently in place. If the customer-generator's existing electrical meter is not capable of registering the flow of electricity in two directions, the customer shall be responsible for all expenses involved in purchasing and installing a meter (or meters) that is able to register electricity flow in two directions. All metering shall be capable of working with any automatic meter reading systems used by the Cooperative.

## 20. Application and Agreements

A customer-generator seeking to interconnect an eligible electric generating facility to the Cooperative's distribution system must submit to the Cooperative the following documents in addition to this Agreement:

$\qquad$ COOPERATIVE CORPORATION
$\qquad$
b. Interconnection Agreement for Net Metering Service, executed prior to interconnection.

The Cooperative may reject an application for demonstrable reliability or safety issues; however, the Cooperative will work with the customer to resolve those issues to the extent practicable.

## 21. Effective Term and Termination Rights

This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. This Agreement may be terminated as follows: (a) customer-generator may terminate this Agreement at any time by giving the Cooperative at least sixty (60) days' written notice; (b) Cooperative may terminate upon failure by the customer-generator to continue ongoing operation of the generating facility; (c) either party may terminate by giving the other party at least thirty (30) days prior written notice that the other party is in default of any of the terms and conditions of the Agreement or the Rules or any rate schedule, tariff, regulation, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) the Cooperative may terminate by giving the customer-generator at least thirty (30) days notice in the event that there is a material change in an applicable law, or any requirement of the Cooperative's wholesale electric suppliers or of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the system.

## 22. Severability

If any portion or provision of this Agreement is held or adjudged for any reason to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.

## 23. Amendment

This Agreement may be amended only upon mutual agreement of the parties, which amendment will not be effective until reduced to writing and executed by the parties.

$\qquad$
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## 24. Independent Contractors

The parties hereto are independent contractors and shall not be deemed to be partners, employees, franchisees or franchisers, servants or agents of each other for any purpose whatsoever under or in connection with this Agreement.

## 25. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Kentucky. Venue for any action arising under or in connection with this Agreement shall be in the Pulaski County Circuit Court.

## 26. Notices

Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:
(a) If to the Cooperative:

South Kentucky RECC
P.O. Box 910

Somerset, KY 42502
(b) If to the customer-generator:
$\qquad$
$\qquad$

The above-listed names, titles, and addresses of either party may be changed by written notification to the other.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE 4/1/2005
DATE OF ISSUE


ISSUED BY


Community, Town or City
P.S.C. KY. NO. $\qquad$
SOUTH KENTUCKY RURAL ELECTRIC
Original $\qquad$ SHEET NO. $\qquad$ COOPERATIVE CORPORATION

## 27. Assignment

This Agreement and all provisions hereof shall inure to and be binding upon the respective parties hereto, their personal representatives, heirs, successors, and assigns. Customergenerator shall not assign this Agreement or any part hereof without the prior written consent of the Cooperative, and such consent shall be within the sole discretion of the Cooperative. Any unauthorized assignment may result in default under the terms of this Agreement.

## 28. Signatures/Agreement Execution

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

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
BY:

TITLE: $\qquad$

DATE: $\qquad$
[CUSTOMER-GENERATOR NAME]
BY: $\qquad$

TITLE: $\qquad$

DATE: $\qquad$


