

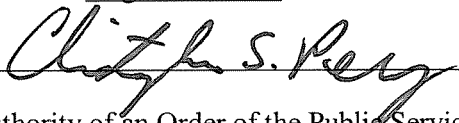
Fleming-Mason Energy Cooperative, Inc.

- 5) The Member shall operate the generating facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Fleming-Mason Energy's electric system. At all times when the generating facility is being operated in parallel with Fleming-Mason Energy's electric system, the Member shall operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by Fleming-Mason Energy to any of its other members or to any electric system interconnected with Fleming-Mason Energy's electric system. The Member shall agree that the interconnection and operation of the generating facility is secondary to, and shall not interfere with, Fleming-Mason Energy's ability to meet its primary responsibility of furnishing reasonably adequate service to its members.
- 6) The Member shall be responsible for protecting, at Member's sole cost and expense, the generating facility from any condition or disturbance on Fleming-Mason Energy's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges, except that Fleming-Mason Energy shall be responsible for repair of damage caused to the generating facility resulting solely from the negligence or willful misconduct on the part of Fleming-Mason Energy.
- 7) After initial installation, Fleming-Mason Energy shall have the right to inspect and/or witness commissioning tests, as specified in the Level 1 or Level 2 Application and approval process. Following the initial testing and inspection of the generating facility and upon reasonable advance notice to the Member, Fleming-Mason Energy shall have access at reasonable times to the generating facility to perform reasonable on-site inspections to verify that the installation, maintenance, and operation of the generating facility comply with the requirements of this tariff.
- 8) For Level 1 and 2 generating facilities, an eligible Member shall furnish and install on the Member's side of the point of common coupling a safety disconnect switch which shall be capable of fully disconnecting the Member's energy generating equipment from Fleming-Mason Energy's electric service under the full rated conditions of the Member's generating facility. The external disconnect switch (EDS) shall be located adjacent to Fleming-Mason Energy's meters or the location of the EDS shall be noted by placing a sticker on the meter, and shall be of the visible break type in a metal enclosure which can be secured by a padlock. If the EDS is not located directly adjacent to the meter, the

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DATE EFFECTIVE: August 17, 2009

ISSUED BY



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Member shall be responsible for ensuring that the location of the EDS is properly and legibly identified for so long as the generating facility is operational. The disconnect switch shall be accessible to Fleming-Mason Energy personnel at all times. Fleming-Mason Energy may waive the requirement for an EDS for a generating facility at its sole discretion, and on a case-by-case basis, upon review of the generating facility operating parameters and if permitted under Fleming-Mason Energy's safety and operating protocols.

- 9) Fleming-Mason Energy shall have the right and authority at Fleming-Mason Energy's sole discretion to isolate the generating facility or require the Member to discontinue operation of the generating facility if Fleming-Mason Energy believes that: (a) continued interconnection and parallel operation of the generating facility with Fleming-Mason Energy's electric system may create or contribute to a system emergency on either Fleming-Mason Energy's or the Member's electric system; (b) the generating facility is not in compliance with the requirements of this tariff, and the noncompliance adversely affects the safety, reliability, or power quality of Fleming-Mason Energy's electric system; or (c) the generating facility interferes with the operation of Fleming-Mason Energy's electric system. In non-emergency situations, Fleming-Mason Energy shall give the Member notice of noncompliance including a description of the specific noncompliance condition and allow the Member a reasonable time to cure the noncompliance prior to isolating the generating facilities. In emergency situations, when the Fleming-Mason Energy is unable to immediately isolate or cause the Member to isolate only the generating facility, Fleming-Mason Energy may isolate the Member's entire facility.
- 10) The Member shall agree that, without the prior written permission from Fleming-Mason Energy, no changes shall be made to the generating facility as initially approved. Increases in generating facility capacity will require a new "Application for Interconnection and Net Metering" which will be evaluated on the same basis as any other new application. Repair and replacement of existing generating facility components with like components that meet UL 1741 certification requirements for Level 1 facilities and not resulting in increases in generating facility capacity is allowed without approval.

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11) To the extent permitted by law, the Member shall protect, indemnify, and hold harmless Fleming-Mason Energy and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorneys fees, for or on account of any injury or death of persons or damage to property caused by the Member or the Member's employees, agents, representatives and contractors in tampering with, repairing, maintaining, or operating the Member's generating facility or any related equipment or any facilities owned by Fleming-Mason Energy except where such injury, death or damage was caused or contributed to by the fault or negligence of Fleming-Mason Energy or its employees, agents, representatives, or contractors.

The liability of Fleming-Mason Energy to the Member for injury to person and property shall be governed by the tariff(s) for the class of service under which the Member is taking service.

12) The Member shall maintain general liability insurance coverage (through a standard homeowner's, commercial, or other policy) for both Level 1 and Level 2 generating facilities. The Member shall, upon request, provide Fleming-Mason Energy with proof of such insurance at the time that application is made for net metering.

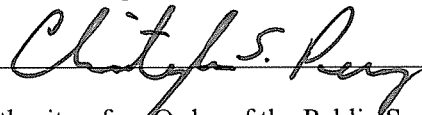
13) By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Fleming-Mason Energy does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.

14) A Member's generating facility is transferable to other persons or service locations only after notification to Fleming-Mason Energy has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved generating facility is being transferred to another person, member, or location, Fleming-Mason Energy will verify that the installation is in compliance with this tariff and provide written notification to the member(s) within 20 business days. If the installation is no longer in compliance with this tariff, Fleming-Mason Energy will notify the Member in writing and list what must be done to place the facility in compliance.

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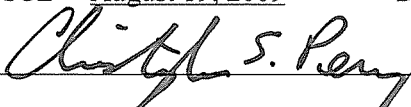
Fleming-Mason Energy Cooperative, Inc.

- 15) The Member shall retain any and all Renewable Energy Credits (RECs) that may be generated by their generating facility.

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) The Member may terminate this Agreement at any time by giving Fleming-Mason Energy at least sixty (60) days' written notice; (b) Fleming-Mason Energy may terminate upon failure by the Member 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 Fleming-Mason Energy, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) Fleming-Mason Energy may terminate by giving the Member at least thirty (30) days notice in the event that there is a material change in an applicable law, regulation or statute affecting this Agreement or which renders the system out of compliance with the new law or statute.

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Fleming-Mason Energy Cooperative, Inc.

I hereby certify that, to the best of my knowledge, all of the information provided in this Application is true, and I agree to abide by all the Terms and Conditions included in this Application for Interconnection and Net Metering and Fleming-Mason Energy's Net Metering Tariff.

Member Signature _____ Date _____

Title _____

COOPERATIVE APPROVAL SECTION

When signed below by a Cooperative representative, Application for Interconnection and Net Metering is approved subject to the provisions contained in this Application and as indicated below.

Cooperative inspection and witness test: Required Waived

If inspection and witness test is required, the Member shall notify the Cooperative within 3 business days of completion of the generating facility installation and schedule an inspection and witness test with the Cooperative to occur within 10 business days of completion of the generating facility installation or as otherwise agreed to by the Cooperative and the Member. Unless indicated below, the Member may not operate the generating facility until such inspection and witness test is successfully completed. Additionally, the Member may not operate the generating facility until all other terms and conditions in the Application have been met.

Call _____ to schedule an inspection and witness test.

Pre-Inspection operational testing not to exceed two hours: Allowed Not Allowed

If inspection and witness test is waived, operation of the generating facility may begin when installation is complete, and all other terms and conditions in the Application have been met.

Additions, Changes, or Clarifications to Application Information:

None As specified here: _____

Approved by: _____ Date: _____

Printed Name: _____ Title: _____

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Fleming-Mason Energy Cooperative, Inc.

LEVEL 2

Application For Interconnection And Net Metering

Use this Application form when generating facility is not inverter-based or is not certified by a nationally recognized testing laboratory to meet the requirements of UL 1741 or does not meet any of the additional conditions under Level 1.

Submit this Application to:

FLEMING-MASON ENERGY
P O BOX 328
FLEMINGSBURG KY 41041

If you have questions regarding this Application or its status, contact the Cooperative at:

606.845.2661 / www.fmenergy.com

Fleming-Mason Energy does not require a filing fee for Level 2 applications.

Member Name: _____ Account Number: _____

Member Address: _____

Project Contact Person: _____

Phone No.: _____ Email Address (Optional): _____

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facilities:

Total Generating Capacity of Generating Facility: _____

Type of Generator: Inverter-Based Synchronous Induction

Power Source: Solar Wind Hydro Biogas Biomass

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Adequate documentation and information must be submitted with this application to be considered complete. Typically this should include the following:

1. Single-line diagram of the member's system showing all electrical equipment from the generator to the point of interconnection with the Cooperative's distribution system, including generators, transformers, switchgear, switches, breakers, fuses, voltage transformers, current transformers, wire sizes, equipment ratings, and transformer connections.
2. Control drawings for relays and breakers.
3. Site Plans showing the physical location of major equipment.
4. Relevant ratings of equipment. Transformer information should include capacity ratings, voltage ratings, winding arrangements, and impedance.
5. If protective relays are used, settings applicable to the interconnection protection. If programmable relays are used, a description of how the relay is programmed to operate as applicable to interconnection protection.
6. A description of how the generator system will be operated including all modes of operation.
7. For inverters, the manufacturer name, model number, and AC power rating. For certified inverters, attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL1741.
8. For synchronous generators, manufacturer and model number, nameplate ratings, and impedance data (X_d , X'_d , & X''_d).
9. For induction generators, manufacturer and model number, nameplate ratings, and locked rotor current.

Member Signature: _____ Date: _____

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LEVEL 2
INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT (Agreement) is made and entered into this _____ day of _____, 20____, by and between _____ (Cooperative), and _____ (Member). Cooperative and Member are hereinafter sometimes referred to individually as "Party" or collectively as "Parties".

WITNESSETH:

WHEREAS, Member is installing, or has installed, generating equipment, controls, and protective relays and equipment (Generating Facility) used to interconnect and operate in parallel with Cooperative's electric system, which Generating Facility is more fully described in Exhibit A, attached hereto and incorporated herein by this Agreement, and as follows:

Location: _____

Generator Size and Type: _____

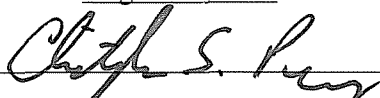
NOW, THEREFORE, in consideration thereof, Member and Cooperative agree as follows:

Cooperative agrees to allow the Member to interconnect and operate the Generating Facility in parallel with the Cooperative's electric system and the Member agrees to abide by Cooperative's Net Metering Tariff and all the Terms and Conditions listed in this Agreement including any additional conditions listed in Exhibit A.

TERMS AND CONDITIONS:

- 1) Fleming-Mason Energy shall provide the Member net metering services, without charge for standard metering equipment, through a standard kilowatt-hour metering system capable of measuring the flow of electricity in two (2) directions. If the Member requests any additional meter or meters or distribution upgrades are needed to monitor the flow in each direction, such installations shall be at the Member's expense.

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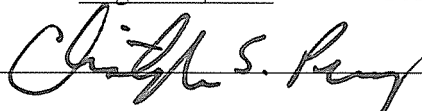
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- 2) The Member shall install, operate, and maintain, at the Member's sole cost and expense, any control, protective, or other equipment on the Member's system required by Fleming-Mason Energy's technical interconnection requirements based on IEEE 1547, the NEC, accredited testing laboratories such as Underwriters Laboratories, and the manufacturer's suggested practices for safe, efficient and reliable operation of the generating facility in parallel with Fleming-Mason Energy's electric system. The Member shall bear full responsibility for the installation, maintenance and safe operation of the generating facility. Upon reasonable request from Fleming-Mason Energy, the Member shall demonstrate generating facility compliance.
- 3) The generating facility shall comply with, and the Member shall represent and warrant its compliance with: (a) any applicable safety and power quality standards established by IEEE and accredited testing laboratories such as Underwriters Laboratories; (b) the NEC as may be revised from time to time; (c) Fleming-Mason Energy's rules, regulations, and Service Regulations as contained in Fleming-Mason Energy's Retail Electric Tariff as may be revised from time to time with the approval of the Kentucky Public Service Commission (Commission); (d) the rules and regulations of the Commission, as such rules and regulations may be revised from time to time by the Commission; and (e) all other applicable local, state, and federal codes and laws, as the same may be in effect from time to time. Where required by law, the Member shall pass an electrical inspection of the generating facility by a local authority having jurisdiction over the installation.
- 4) Any changes or additions to Fleming-Mason Energy's system required to accommodate the generating facility shall be considered excess facilities. The Member shall agree to pay Fleming-Mason Energy for actual costs incurred for all such excess facilities prior to construction.
- 5) The Member shall operate the generating facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Fleming-Mason Energy's electric system. At all times when the generating facility is being operated in parallel with Fleming-Mason Energy's electric system, the Member shall operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by Fleming-Mason Energy to any

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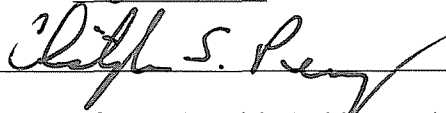
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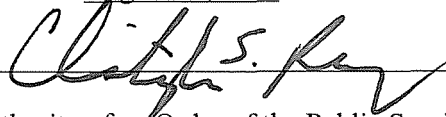
discretion, and on a case-by-case basis, upon review of the generating facility operating parameters and if permitted under Fleming-Mason Energy's safety and operating protocols.

- 9) Fleming-Mason Energy shall have the right and authority at Fleming-Mason Energy's sole discretion to isolate the generating facility or require the Member to discontinue operation of the generating facility if Fleming-Mason Energy believes that: (a) continued interconnection and parallel operation of the generating facility with Fleming-Mason Energy's electric system may create or contribute to a system emergency on either Fleming-Mason Energy's or the Member's electric system; (b) the generating facility is not in compliance with the requirements of this tariff, and the noncompliance adversely affects the safety, reliability, or power quality of Fleming-Mason Energy's electric system; or (c) the generating facility interferes with the operation of Fleming-Mason Energy's electric system. In non-emergency situations, Fleming-Mason Energy shall give the Member notice of noncompliance including a description of the specific noncompliance condition and allow the Member a reasonable time to cure the noncompliance prior to isolating the generating facilities. In emergency situations, when Fleming-Mason Energy is unable to immediately isolate or cause the Member to isolate only the generating facility, Fleming-Mason Energy may isolate the Member's entire facility.
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- 11) To the extent permitted by law, the Member shall protect, indemnify, and hold harmless Fleming-Mason Energy and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorneys fees, for or on account of any injury or death of persons or damage to property caused by the Member or the Member's employees, agents, representatives and contractors in tampering with, repairing, maintaining, or operating the Member's generating facility or any related equipment or any facilities owned by Fleming-Mason

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Energy except where such injury, death or damage was caused or contributed to by the fault or negligence of the Fleming-Mason Energy or its employees, agents, representatives, or contractors.

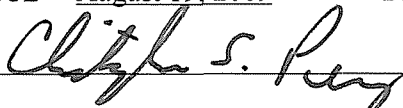
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- 13) By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Fleming-Mason Energy does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.
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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) The Member may terminate this Agreement at any time by giving Fleming-Mason Energy at least sixty (60) days' written notice; (b) Fleming-Mason Energy may terminate upon failure by the Member 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 Fleming-Mason Energy, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) Fleming-Mason Energy may terminate by giving the Member at least thirty (30) days notice in the event that there is a material change in an applicable law, regulation or statute affecting this Agreement or which renders the system out of compliance with the new law or statute.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first above written.

COOPERATIVE NAME

MEMBER

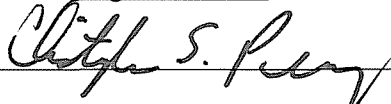
By: _____ By: _____

Printed Name

Printed Name

Title: _____ Title: _____

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