

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION  
OF  
PAINTSVILLE, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING  
ELECTRIC POWER AND ENERGY  
AT  
VARIOUS LOCATIONS THROUGHOUT KENTUCKY  
FROM  
QUALIFIED COGENERATION AND  
SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION  
OF KENTUCKY

ISSUED March 31, 2024  
EFFECTIVE Service rendered on and after June 1, 2024

ISSUED BY BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

BY Jeff Prater  
Jeff Prater  
Interim President

**Cogeneration and Small Power Production**  
**Power Purchase Rate Schedule**  
**Grid Connected Qualifying Facility Sized Over 100 kW**

**Availability**

Available only to qualified cogeneration ("CoGen") or small power production ("SPP") Qualifying Facilities ("QF") with a design capacity of over 100 kW which have executed a contract with EKPC and the Owner-Member Cooperative ("Cooperative") in whose service territory it is physically located for the purchase of electric power by EKPC. To qualify, such QFs must be directly interconnected to the distribution system of the Cooperative or to the transmission system of EKPC and inject 100% of its available energy. Such QFs do not supply any energy production directly to a retail member. Additionally, such QFs may supply capacity to EKPC only after being studied by PJM Interconnection, L.L.C. ("PJM") in its interconnection process and executing the final agreement necessary for PJM Interconnection, L.L.C. to authorize the capacity injection from the resource. Pursuant to Federal Energy Regulatory Commission ("FERC") regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is not obligated to purchase electric energy and/or capacity from CoGen QFs with a net capacity of over twenty (20) MW or SPP QFs with a net capacity over five (5) MW. Net capacity is the highest output possible from the QF including hybrid QFs that co-locate a generation resource with an energy storage system at the same point of interconnection.

**Rates**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

- 1. Capacity (*optional*) – The QF’s owner ("Seller") may elect to sell capacity and receive capacity payments. The capacity rate will be applied to the QF’s capacity accreditation, which will be calculated based on the applicable technology-specific Effective Load Carry Capability ("ELCC") published by PJM for each Base Residual Auction ("BRA") Delivery Year, to determine the appropriate payment for each delivery year. A Delivery Year is June 1 to May 31 the following year. The capacity accreditation will be updated and applied to the capacity rate on June 1 each year. Capacity payments will reflect the annual adjustments to both the capacity rate and resource’s capacity accreditation and are expressed in \$/kW year.

|                         |         |         |         |         |          |          |  |
|-------------------------|---------|---------|---------|---------|----------|----------|--|
| 2-year contract -       | \$0     |         |         |         |          |          |  |
| 5-year contract - SPP   | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29  | 2029/30  |  |
|                         | \$22.88 | \$23.44 | \$24.00 | \$24.58 | \$25.18  | \$25.79  |  |
| 5-year contract - CoGen | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29  | 2029/30  |  |
|                         | \$91.53 | \$93.74 | \$96.01 | \$98.33 | \$100.71 | \$103.15 |  |

- 2. Energy – Seller will be credited monthly for the electric energy produced by the QF at the actual real-time locational marginal price for energy set by PJM at the EKPC zonal node during each hour of the day at the time of delivery. The payments will be offset by a market administration fee of \$0.00014 per kWh to cover EKPC’s market participation costs.

**Terms and Conditions**

- 1. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is not obligated to purchase electric energy and/or capacity from a CoGen QFs with a net capacity over twenty (20) MW nor from SPP QFs with a net capacity over five (5) MW.

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Grid Connected Qualifying Facility Sized Over 100 kW (continued)

- 2. All energy and capacity, if elected, from a QF will be sold only to EKPC. EKPC will offer the energy and any supplied capacity into the PJM wholesale power market.
- 3. A QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
- 4. A QF electing to receive capacity payments is subject to a non-performance penalty should the QF not provide energy during the periods in which PJM has declared a Performance Assessment Interval ("PAI") affecting the EKPC zone in the PJM region. Seller may be eligible to receive a payment for any performance that exceeds the performance PJM expects from the unit and PJM has collected non-performance penalties that may be distributed to the resources PJM has deemed as having over-performed during periods in which PJM has declared a PAI affecting the EKPC Zone in the PJM region. The non-performance penalty shall be consistent with the current PJM Open Access Transmission Tariff ("OATT") penalty calculation as described in PJM OATT, Attachment DD, Section 10A.
- 5. A QF electing to receive capacity payments shall provide reasonable credit assurance for EKPC and Cooperative. This includes, but is not limited to, collateral provided by the Seller and held by EKPC to mitigate potential default by the QF of paying any assessed non-performance penalty.
- 6. A QF shall design, construct, install, own, operate, and maintain the QF in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
- 7. A QF shall pay EKPC and Cooperative for all one-time or ongoing costs incurred as a result of interconnecting with the QF, including but not limited to system impact studies, operation, maintenance, administration, metering, and billing. Should the QF elect to supply capacity, the QF also will be responsible to PJM for all costs associated with PJM's interconnection process as defined in the PJM OATT Section IV.
- 8. A QF shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
- 9. The initial contract term of QF agreement made pursuant to this tariff shall be for a minimum of two years and a maximum of five years.
- 10. QFs must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
- 11. Updated rates will be filed with the Public Service Commission of Kentucky ("Commission") by March 31 of each year.
- 12. A QF shall submit an Application for Interconnection found at [www.ekpc.coop/cogeneration-applicants](http://www.ekpc.coop/cogeneration-applicants), sign the agreement and receive approval from EKPC, Cooperative, and the Commission prior to connecting to the power grid. Additional Terms and Conditions may apply.

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**Cogeneration and Small Power Production**  
**Power Purchase Rate Schedule**  
**Grid Connected Qualifying Facility Sized Less Than 100 kW**

**Availability**

Available only to qualified cogeneration ("CoGen") or small power production ("SPP") Qualifying Facilities ("QF") with a design capacity of 100 kW or less which have executed a contract with EKPC and one of EKPC's Owner-Member Cooperatives ("Cooperative") in whose service territory it is physically located for the purchase of electric power by EKPC. To qualify, such QFs must be directly interconnected to the distribution system of the Cooperative or to the transmission system of EKPC and inject 100% of its available energy. Such QFs do not supply any energy production directly to a retail member. Additionally, such QFs may supply capacity to EKPC only after being studied by PJM Interconnection, L.L.C. ("PJM") in its interconnection process and executing the final agreement necessary for PJM to authorize the capacity injection from the resource. The capacity limit of 100kW is the highest output possible from the QF, including hybrid QFs that co-locate a generation resource with an energy storage system at the same point of interconnection.

**Rates**

- Capacity (*optional*) – The QF's owner ("Seller") may elect to sell capacity and receive capacity payments. The capacity rate will be applied to the QF's capacity accreditation, which will be calculated based on the applicable technology-specific Effective Load Carry Capability ("ELCC") published by PJM for each Base Residual Auction ("BRA") Delivery Year, to determine the appropriate payment for each delivery year. A Delivery Year is June 1 to May 31 the following year. The capacity accreditation will be updated and applied to the capacity rate on June 1 each year. Capacity payments will reflect the annual adjustments to both the capacity rate and resource's capacity accreditation and are expressed in \$/kW year.

2-year contract - \$0

|                       |         |         |         |         |         |         |
|-----------------------|---------|---------|---------|---------|---------|---------|
| 5-year contract - SPP | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|                       | \$22.88 | \$23.44 | \$24.00 | \$24.58 | \$25.18 | \$25.79 |

|                         |         |         |         |         |          |          |
|-------------------------|---------|---------|---------|---------|----------|----------|
| 5-year contract - CoGen | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29  | 2029/30  |
|                         | \$91.53 | \$93.74 | \$96.01 | \$98.33 | \$100.71 | \$103.15 |

- Energy – Seller will be credited monthly for the electric energy produced by the QF at the actual real-time locational marginal price for energy set by PJM at the EKPC zonal node during each hour of the day at the time of the delivery. The payments will be offset by a market administration fee of \$0.00014 per kWh to cover EKPC's market participation costs.

**Terms and Conditions**

- All energy and capacity, if elected, from a QF will be sold only to EKPC. EKPC will offer the energy and any supplied capacity into the PJM wholesale power market.
- A QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.

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Grid Connected Qualifying Facility Sized Less Than 100 kW (continued)

- 3. A QF shall provide reasonable protection for EKPC's and Cooperative's system. T
- 4. A QF electing to receive capacity payments is subject to a non-performance penalty should the QF not provide energy during the periods in which PJM has declared a Performance Assessment Interval ("PAI") affecting the EKPC zone in the PJM region. Seller may be eligible to receive a payment for any performance that exceeds the performance PJM expects from the unit and PJM has collected non-performance penalties that may be distributed to the resources PJM has deemed as having over performed during periods in which PJM has declared a PAI affecting the EKPC Zone in the PJM region. The non-performance penalty shall be consistent with the current PJM Open Access Transmission Tariff ("OATT") penalty calculation as described in PJM OATT, Attachment DD, Section 10A. N
- 5. A QF electing to receive capacity payments shall provide reasonable credit assurance for EKPC and Cooperative. This includes, but is not limited to, collateral provided by the Seller and held by EKPC to mitigate potential default by the QF of paying any assessed non-performance penalty. D
- 6. A QF shall pay EKPC and Cooperative for all one-time and ongoing costs incurred as a result of interconnecting with the QF, including but not limited to, system impacts studies, operation, maintenance, metering, administration, and billing. Should the QF elect to supply capacity, the QF also will be responsible to PJM for all costs associated with PJM's interconnection process as defined in the PJM OATT Section IV. N
- 7. A QF shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
- 8. The initial contract term of QF agreement made pursuant to this tariff shall be for a minimum of two years and a maximum of five years. T
- 9. QFs must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff. D
- 10. Updated rates will be filed with the Public Service Commission of Kentucky ("Commission") by March 31 of each year.
- 11. A QF shall submit an Application for Interconnection found at [www.ekpc.coop/cogeneration-applicants](http://www.ekpc.coop/cogeneration-applicants), sign the agreement and receive approval from EKPC, Cooperative, and the Commission prior to connecting to the power grid. Additional Terms and Conditions may apply. N

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**Cogeneration and Small Power Production Power**  
**Purchase Rate Schedule**  
**Co-Located Qualifying Facility Sized Over 100 kW**

**Availability**

Available only to qualified cogeneration ("Cogen") or small power production ("SPP") Qualifying Facilities ("QF") that are co-located with a retail member such that it is connected behind the retail member's meter and supplies energy directly to the retail member, offsetting the retail member's grid-supplied energy consumption, and injecting any energy that exceeds the retail member's load. A retail member is the member of one of EKPC's Owner-Member Cooperatives. As such, the QF is deemed to be providing "as available" energy to the electric grid and must have executed a contract with EKPC and the EKPC Owner-Member Cooperative ("Cooperative") in whose service territory it is located for the purchase of energy by EKPC. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is not obligated to purchase electric energy and/or capacity from CoGen QFs with a net capacity over twenty (20) MW nor SPP QF with a net capacity over five (5) MW. Net capacity is the highest possible MW output from the QF including hybrid QFs that co-locate a generation resource with an energy storage system.

**Rates**

- 1. Capacity – The QF is providing EKPC only the energy that exceeds the retail member's consumption, or "as available" energy. The QF does not supply capacity, and, thus, is not eligible to receive a capacity payment.
- 2. Energy – The retail member will be credited monthly for the "as available" energy produced by the QF and delivered to the Cooperative's distribution system at the value of the real-time locational marginal price for energy set by PJM Interconnection, L.L.C. ("PJM") at the EKPC zonal node during each hour of the day at the time of delivery. The payments will be offset by a market administration fee of \$0.00014 per kWh to cover EKPC's market participation costs.

**Terms and Conditions**

- 1. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is not obligated to purchase electric energy and/or capacity from CoGen QFs with a net capacity over twenty (20) MW nor from SPP QFs with a net capacity over five (5) MW.
- 2. A QFs "as available" energy will be sold only to EKPC. Payment for "as available" energy will be provided to the retail member via check or a bill credit.
- 3. A QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
- 4. A QF shall design, construct, install, own, operate, and maintain the QF in accordance with all applicable codes, laws, regulations, and general accepted utility practices, including, IEEE 1547 standard.
- 5. A QF shall pay EKPC and Cooperative for all one-time and ongoing costs incurred as a result of interconnecting with the QF, including but not limited to, system impacts studies, operation, maintenance, administration, special metering, and billing.

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Co-Located Qualifying Facility Sized Over 100 kW (continued)

6. A QF shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00.
  - b. Property Damage - \$500,000.00
7. The Initial contract term shall be for a minimum of two years and a maximum of five years.
8. QFs co-located with a retail member's load proposing to supply "as available" energy shall not be entitled to a capacity payment.
9. QFs must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky ("Commission") by March 31 of each year.
11. Retail member shall submit an Application for Interconnection found at [www.ekpc.coop/cogeneration-applicants](http://www.ekpc.coop/cogeneration-applicants), sign the agreement and receive approval from EKPC, Cooperative, and the Commission prior to connecting to the power grid. Additional Terms and Conditions may apply.
12. A QF shall not supply electric energy to a retail member unless it is owned and operated by the retail member.
13. For interconnection to a radial distribution circuit, the aggregated generation on the circuit, including the proposed QF, shall not exceed 15% of the line section's most recent annual one-hour peak load. A line section is the smallest part of the primary distribution system the QF could remain connected to after operation of any sectionalizing devices.
14. If the QF is to be interconnected on a single-phase shared secondary, the aggregate generation capacity, including the proposed QF, will not exceed the smaller of 20 kVA or the nameplate rating of the transformer.
15. If the proposed QF is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

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**Cogeneration and Small Power Production**  
**Power Purchase Rate Schedule**  
**Co-located Qualifying Facility Sized Less Than 100kW**

**Availability**

Available only to qualified cogeneration ("CoGen") or small power production ("SPP") Qualifying Facilities ("QF") that are co-located with the retail member such that it is connected behind the retail member's meter and supplies energy directly to the retail member, offsetting the retail member's grid-supplied energy consumption, and injecting any energy that exceeds the retail member's load. A retail member is the member of one of EKPC's Owner-Member Cooperatives. As such, the QF is deemed to be providing "as available" energy to the electric grid and must have executed a contract with EKPC and the EKPC Owner-Member Cooperative ("Cooperative") in whose service territory it is located for the purchase of energy by EKPC. Net capacity is the highest possible MW output from the QF including hybrid QFs that co-locate a generation resource with an energy storage system.

**Rates**

1. Capacity – The QF is providing EKPC only the energy that exceeds the retail member's consumption, or "as available" energy. The QF does not supply capacity, and, thus, is not eligible to receive a capacity payment.
2. Energy – The retail member will be credited monthly for the "as available" energy produced by the QF and delivered to the Cooperative's distribution system at the value of the real-time locational marginal price for energy set by PJM Interconnection, L.L.C. ("PJM") at the EKPC zonal node during each hour of the day at the time of delivery. The payments will be offset by a market administration fee of \$0.00014 per kWh to cover EKPC's market participation costs.

**Terms and Conditions**

1. A QFs "as available" energy will be sold only to EKPC. Payment for "as available" energy will be provided to the retail member via check or a bill credit.
2. QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. A QF shall design, construct, install, own, operate, and maintain the QF in accordance with all applicable codes, laws, regulations, and general accepted utility practices, including, IEEE 1547 standard.
4. A QF shall pay EKPC and Cooperative for all costs incurred as a result of interconnecting with the QF, including but not limited to, operation, maintenance, administration, special metering, and billing.
5. For interconnection to a radial distribution circuit, the aggregated generation on the circuit, including the proposed QF, shall not exceed 15% of the line section's most recent annual one-hour peak load. A line section is the smallest part of the primary distribution system the QF could remain connected to after operation of any sectionalizing devices.

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**Co-located Qualifying Facility Sized Less Than 100kW (continued)**

6. If the QF is to be interconnected on a single-phase shared secondary, the aggregate generation capacity, including the proposed QF, will not exceed the smaller of 20 kVA or the nameplate rating of the transformer.
7. If the proposed QF is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.
8. Cooperative will install, at the utility's expense, a bi-directional meter capable of communicating with the metering system of the utility. Any additional meter communication equipment, special meters, or distribution upgrades needed to monitor the flow in each direction shall be installed at the retail member's expense.
9. QFs co-located with a retail member's load proposing to supply "as available" energy shall not be entitled to a capacity payment.
10. QFs must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
11. Updated rates will be filed with the Public Service Commission of Kentucky ("Commission") by March 31 of each year.
12. Retail member shall submit an Application for Interconnection found at [www.ekpc.coop/cogeneration-applicants](http://www.ekpc.coop/cogeneration-applicants) and receive approval from EKPC and Cooperative prior to connecting to the power grid. EKPC and Cooperative may deny approval of the Application for Interconnection if either of them determines the QF cannot be safely connected to the Cooperative's power grid, or if the system fails the Terms & Condition set forth in this tariff or the Application for Interconnection. Additional Terms and Conditions may apply.
13. A QF shall not supply electric energy to a retail member unless it is owned and operated by the retail member.

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**Member-Supplied Renewable Energy**

Application for Interconnection

100kW or Less from Co-located Qualifying Facility

If you have questions regarding this Application or its status, email questions to Member-Supplied-Renewable-Energy@ekpc.coop

Member Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Member Address: \_\_\_\_\_

Member Phone No.: \_\_\_\_\_ Member E-Mail Address: \_\_\_\_\_

Project Contact Person: \_\_\_\_\_

Phone No.: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facility, also known as Qualifying Facility ("QF"):

\_\_\_\_\_  
\_\_\_\_\_

Energy Source:  Solar  Wind  Hydro  Biogas  Biomass

Type of Generator:  Inverter-Based  Synchronous  Induction

Is inverter certified to UL 1741:  No  Yes

Inverter Manufacturer and Model #: \_\_\_\_\_

Inverter Power Rating: \_\_\_\_\_ Inverter Voltage Rating: \_\_\_\_\_

Power Rating of Energy Source (i.e., solar panels, wind turbine): \_\_\_\_\_

Is Battery Storage Used:  No  Yes If Yes, Battery Power Rating: \_\_\_\_\_

Attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.

Attach site drawing or sketch showing location of EKPC Owner-Member Cooperative's ("Cooperative") meter, energy source, Cooperative accessible disconnect switch and inverter.

Attach single line drawing showing all electrical equipment from the Cooperative's metering location to the energy source including switches, fuses, breakers, panels, transformers, inverters, energy source, wire size, equipment ratings, and transformer connections.

Expected Start-up Date: \_\_\_\_\_

## TERMS AND CONDITIONS:

- 1) Cooperative shall provide the Member bi-directional 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 or the QF requires any additional meter or special meters or distribution upgrades are needed to monitor the flow in each direction, such installations shall be at the Member's expense.
- 2) The Member shall install, operate, and maintain, at Member's sole cost and expense, any control, protective, or other equipment on the Member's system required by EKPC's Owner-member 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 QF in parallel with Cooperative's electric system. The Member shall bear full responsibility for the installation, maintenance and safe operation of the QF. Upon reasonable request from Cooperative, the Member shall demonstrate QF compliance.
- 3) The QF 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) EKPC's Owner-member's rules, regulations, and Service Regulations as contained in Cooperative'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, Member shall pass an electrical inspection of the QF by a local authority having jurisdiction over the installation.
- 4) Any changes or additions to Cooperative's system required to accommodate the QF shall be considered excess facilities. Member shall agree to pay Cooperative for actual costs incurred for all such excess facilities prior to construction. The Member shall operate the QF in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Cooperative's electric system. At all times when the QF is being operated in parallel with Cooperative's electric system, the Member shall operate the QF in such a manner that no adverse impacts will be produced thereby to the service quality rendered by Cooperative to any of its other members or to any electric system interconnected with Cooperative's electric system. The Member shall agree that the interconnection and operation of the QF is secondary to, and shall not interfere with, Cooperative's ability to meet its primary responsibility of furnishing reasonably adequate service to its members.
- 5) The Member shall be responsible for protecting, at Member's sole cost and expense, the QF from any condition or disturbance on Cooperative'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 Cooperative shall be responsible for repair of damage caused to the QF resulting solely from the negligence or willful misconduct on the part of Cooperative.
- 6) After initial installation, Cooperative shall have the right to inspect and/or witness commissioning tests, as specified in the Application and approval process. Following the initial testing and inspection of the QF and upon reasonable advance notice to the Member, Cooperative shall have access at reasonable times to the QF to perform reasonable on-site inspections to verify that the installation, maintenance, and operation of the QF comply with the requirements of this tariff.
- 7) 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 QF from Cooperative's electric service under the full rated conditions of the Member's QF. The external disconnect switch (EDS) shall be located adjacent to Cooperative'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 Member shall be responsible for ensuring that the location of the EDS is properly and legibly identified for so long as the QF is operational. The disconnect switch shall be accessible to Cooperative personnel at all times. Cooperative may waive the requirement for an EDS for a QF at its sole discretion, and on a case-by-case basis, upon review of the QF operating parameters and if permitted under Cooperative's safety and operating protocols.

- 8) Cooperative shall have the right and authority at Cooperative's sole discretion to isolate the QF or require the Member to discontinue operation of the QF if Cooperative believes that: (a) continued interconnection and parallel operation of the QF with Cooperative's electric system may create or contribute to a system emergency on either Cooperative's or the Member's electric system; (b) the QF is not in compliance with the requirements of this tariff, and the noncompliance adversely affects the safety, reliability, or power quality of Cooperative's electric system; or (c) the QF interferes with the operation of Cooperative's electric system. In non-emergency situations, Cooperative 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 Cooperative is unable to immediately isolate or cause the Member to isolate only the QF, Cooperative may isolate the Member's entire facility.
- 9) The Member shall agree that, without the prior written permission from Cooperative, no changes shall be made to the QF as initially approved. Increases in QF capacity will require a new "Application for Interconnection" which will be evaluated on the same basis as any other new application. Repair and replacement of existing QF components with like components that meet UL 1741 certification requirements and not resulting in increases in QF capacity is allowed without approval.
- 10) To the extent permitted by law, the Member shall protect, indemnify, and hold harmless EKPC and Cooperative and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorney's 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 QF or any related equipment or any facilities owned by EKPC or Cooperative except where such injury, death or damage was caused or contributed to by the fault or negligence of EKPC or Cooperative or its employees, agents, representatives, or contractors.

The Cooperative and EKPC shall use reasonable diligence to provide a constant and uninterrupted supply of electrical power and energy, but if such a supply should fail or be interrupted or become defective through an act of God, or the public enemy, or by accident, strikes or labor troubles, or by action of the elements or by a delay in securing right-of-way easement(s), or other permits needed, or for any other cause beyond the reasonable control of the Cooperative and/or EKPC, neither the Cooperative nor EKPC shall not be liable to the Member.

- 11) The Member shall maintain general liability insurance coverage (through a standard homeowner's, commercial, or other policy) for the generating facilities as set forth in the applicable tariff schedule. The Member shall, upon request, provide Cooperative with proof of such insurance at the time that application is made for net metering or anytime thereafter.
- 12) By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, EKPC or Cooperative 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 QF equipment, controls, and protective relays and equipment.

A Member's QF is transferable to other persons or service locations only after notification to Cooperative has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved QF is being transferred to another person, member, or location, Cooperative 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, Cooperative will notify the Member in writing and list what must be done to place the facility in compliance

- 13) The Member shall retain any and all Renewable Energy Certificates ("REC"s) that may be generated by their QF.

## EFFECTIVE TERM AND TERMINATION RIGHTS

This Agreement becomes effective when executed by all parties (Member, EKPC, Cooperative) 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 Cooperative at least sixty (60) days' written notice; (b) EKPC or Cooperative may terminate upon failure by the Member to continue ongoing operation of the QF; (c) any party may terminate by giving the other parties at least thirty (30) days prior written notice that another 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 Cooperative so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) EKPC or Cooperative 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.

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 the Cogeneration and Small Power Producer, 100kW or less from Co-Located Qualifying Facility Tariff.

Member Signature \_\_\_\_\_ Date \_\_\_\_\_ Title \_\_\_\_\_

**EKPC AND COOPERATIVE APPROVAL AND AGREEMENT EXECUTION SECTION**

When signed below by EKPC and the EKPC Owner-Member Cooperative ("Cooperative") representatives, Application for Interconnection 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 QF installation and schedule an inspection and witness test with the Cooperative to occur within 10 business days of completion of the QF installation or as otherwise agreed to by the Cooperative and the Member. Unless indicated below, the Member may not operate the QF until such inspection and witness test is successfully completed. Additionally, the Member may not operate the QF until all other terms and conditions in the Application have been met.

Call Cooperative 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 QF 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EKPC:

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

Cooperative:

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_