

CENTRAL ALABAMA ELECTRIC COOPERATIVE POLICY STATEMENT

PURCHASE POWER AGREEMENT

This Agreement (“Agreement”) is made and entered into this ____ day of _____, 20____, (“Effective Date”) by Central Alabama Electric Cooperative (“Cooperative”), and _____ (“Member”), each hereinafter sometimes referred to individually as “Party” or both referred to as the “Parties”. In consideration of the mutual covenants set forth herein, the Parties agree as follows:

This Agreement provides for the purchase of electrical energy by the Cooperative from the generation resources of the Member located at _____.

This Agreement does not supersede any requirements of any bylaws, policies or membership agreements, applicable tariffs, rates, rules and regulations in place by or between the Parties hereto.

1. **Intent of Parties:** It is the intent of the Member to sell any and all excess generation from its generation resources that flows onto the electrical distribution system of the Cooperative directly to the Cooperative.

It is the intent of the Cooperative to directly purchase the excess generation from the generation resources of the Member that flows onto the electrical distribution system of the Cooperative.

2. **Metering:** A meter capable of measuring and recording power flow from the Member's generating resource onto the electrical distribution system of the Cooperative shall be installed at the generation resource facility.
3. **Interconnection Agreement:** The Member agrees that it will enter into an Interconnection Agreement with the Cooperative prior to the execution of this Agreement. The parties further agree that this Agreement will terminate immediately upon the termination of the Interconnection Agreement between the Member and the Cooperative.
4. **Cost/Payments:** The cooperatives policy 4205 shall govern the costs of kWh sold and purchased for installations up to 25 kW. Systems above 25 kW, purchases will be made at the cooperatives average avoided cost of power.
5. **Generating Facilities:** The Member certifies that the following devices constitute the total unit(s) of generating equipment installed and addressed under this Agreement. The Member also warrants that the Facilities have been authorized for connection to the distribution system through the execution of an appropriate Interconnection Agreement. The Member agrees that it will at all times operate its

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Facilities in accordance with those standards set forth in the Interconnection Agreement between the Member and the Cooperative dated _____.

Item Description

Model Number:

- | | |
|----------|-------|
| 1) _____ | _____ |
| 2) _____ | _____ |
| 3) _____ | _____ |
| 4) _____ | _____ |

6. **Term:** This Agreement is valid for a period of five (5) years from the Effective Date. It may be cancelled by either party with not less than thirty (30) days notice to the other party. This Agreement will terminate immediately if/when the Interconnection Agreement between the Member and the Cooperative is terminated for any reason.
7. **Severability:** If any portion 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.
8. **Amendment:** This Agreement may only be amended upon mutual agreement of both Parties, which amendment will not be effective until reduced to writing and executed by the Parties.
9. **Limitations:** This Agreement is not intended to and does not create any rights, remedies or benefits of any character whatsoever in favor of any persons, corporations, associations or entities other than the Parties hereto, and the obligations herein assumed are solely for the use and benefit of the Parties.

AGREED TO BY

Member

Cooperative

By: _____

By: _____

Date: _____

Date: _____