

# CENTRAL ALABAMA ELECTRIC COOPERATIVE POLICY STATEMENT

## AGREEMENT FOR INTERCONNECTING MEMBER OWNED GENERATION NOT REQUIRING MODIFICATIONS TO THE ELECTRIC POWER SYSTEM

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 safe and orderly operation of the generating resources of the Member located at \_\_\_\_\_.

This Agreement does not establish any intent of the Cooperative or the Cooperative’s power supplier, PowerSouth Energy Cooperative (“PowerSouth”) to purchase energy resulting from this interconnection, nor does this Agreement give the Member the right to sell energy resulting from this interconnection to any other entity.

This Agreement does not supersede any requirements of any by-laws, 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 directly or indirectly connect an electric power generator to the Cooperative’s electrical distribution system.

It is the intent of the Cooperative to operate the distribution system to maintain a high level of service to its members and to maintain a high level of power quality.

It is the intent of both parties to operate the facilities in a way that ensures the safety of the public, Cooperative employees, Member employees (as applicable) and the Member household.

2. **Operating Authority:** The Member is responsible for establishing operating procedures and standards within state and local regulations, and in compliance with IEEE 1547, or other applicable industry standards that supersede IEEE 1547. The Member signifies by signing this Agreement that he is competent in the operations of the electrical generation system and is aware of the provisions of any operating requirements and regulations relating to the safe operation of electrical systems, specifically the system listed in this document.

3. **Responsible Member:** The Member is the person identified by name who is the owner of and who is responsible for the real time operations of all electrical facilities and resources listed in this Agreement.

## CENTRAL ALABAMA ELECTRIC COOPERATIVE POLICY STATEMENT

4. **Suspension of Connection:** It is intended that the connection should not compromise the Cooperative's protection or operational requirements (including adversely affecting the transmission system of the Cooperative's power provider). Therefore, all relaying equipment and settings placed on that equipment are subject to the approval of the Cooperative. The operation of the Member's generation device and the quality of electric energy supplied (in the case of power export) shall meet the standards as specified by the Cooperative, including, but not limited to, IEEE 1547. All installations must be certified as IEEE 1547 compliant in writing either by the manufacturer, a recognized independent testing laboratory, or by a Registered Professional Engineer prior to connection. The Cooperative reserves the right to verify compliance through inspection/testing. If the operation of the Member's system or quality of electric energy supplied (in the case of power export) does not meet the standards as specified, then the Cooperative will notify the Member to take reasonable and expedient corrective action. The Cooperative shall have the right to disconnect the Member's system until compliance is demonstrated. Notwithstanding, the Cooperative may, in its discretion, disconnect the Member's generating resource from the distribution system without notice if the operating of the generating resource imposes a threat, in the Cooperative's judgment, to life and/or property.
5. **Maintenance Outages:** Maintenance outages will occasionally be required on the distribution system. The Cooperative will provide as much notice and planning as practical to minimize downtime. It is noted that in some emergency cases such notice may not be practical. Compensation will not be made for unavailability of the distribution system due to outages.
6. **Access:** Access to the Member's site is required at all times by the Cooperative for maintenance, operating and meter reading. The Cooperative reserves the right to inspect the Member's generating facilities. However, the Parties further understand and agree that nothing herein obligates the Cooperative to inspect the facilities and/or equipment of the Member.
7. **Liability and Indemnification:** The Member shall assume all liability for and shall indemnify the Cooperative and its members, trustees, directors, officers, managers, employees, agents, successors and assigns and shall hold them harmless from and against any claims, losses, damages, costs, and expenses of any kind or character, whether to property or person, to the extent that they result from Member's negligence from the design, construction, repair, interconnection, installation, operation, or maintenance of any electric generating resource or facility.
8. **Disconnect:** The Member will install a visible, open, lockable disconnect as specified by the Cooperative, capable of isolating the Member's generator near the Member's service entrance and meter panel.

**CENTRAL ALABAMA ELECTRIC COOPERATIVE  
POLICY STATEMENT**

- 9. **Metering:** In cases of power export, a meter (or meters) capable of measuring and recording power flow in and out of the Member's generating resource will be installed by the Cooperative. The meter will be read on a monthly schedule.
  
- 10. **Costs and Fees:** Prior to interconnection, the Member shall pay the Cooperative a Connection Fee of \$25 to cover the cost of modifications to the metering and associated equipment, facilities inspection/testing (if required), and other administrative and overhead expenses incurred by the Cooperative to accommodate the metering and billing of the energy.
  
- 11. **Retail Rate:** The Member acknowledges that alternative retail rates for power received from the Cooperative may be applicable depending on the installed capacity of the distributed resource. The applicable Cooperative rate, as amended over time, will be applied in determination of the cost of power delivered from the Cooperative to the Member.
  
- 12. **Insurance:** For projects requiring interconnection to the Cooperative's distribution system and less than 25kW, the Member should maintain liability insurance protecting the Member from liability resulting from any injuries or damages caused by the Member's installation and operation of electric generation facilities and equipment or by the Member's failure to maintain such electric generation facilities and equipment in satisfactory and safe operating manner.

For projects of more than 25kW requiring interconnection to the Cooperative's distribution or the Cooperative's power supplier's transmission system, the Member shall furnish liability insurance that is acceptable to the Cooperative and the Cooperative's power supplier.

- 13. **Generating Facilities:** The Member certifies that the following devices constitute the total unit(s) of generating equipment installed and addressed under this Agreement.

<u>Item Description</u>	<u>Model Number:</u>
1) _____	_____
2) _____	_____
3) _____	_____
4) _____	_____

- 14. **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.

**CENTRAL ALABAMA ELECTRIC COOPERATIVE  
POLICY STATEMENT**

- 15. **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.
  
- 16. **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.
  
- 17. **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: \_\_\_\_\_