



Distributed Generation Policies/Procedures/Rates

Exhibit B

Interconnection and Service Agreement

For 25 kW or Less and Net Metered

INTERCONNECTION AND SERVICE AGREEMENT

Between

NORTH CENTRAL PUBLIC POWER DISTRICT

and

Name of Customer-Generator

This Interconnection and Service Agreement (“Agreement”) is entered into as of _____, 20____, by and between North Central Public Power District, a public corporation and political subdivision of the State of Nebraska, hereinafter referred to as “NCPD,” and _____, hereinafter referred to as “Customer-Generator” and each at times singularly called ‘Party’ or collectively called ‘Parties’.

WITNESSETH

WHEREAS, NCPD owns and operates an electric sub-transmission and distribution system in the State of Nebraska and is engaged in the purchase, transmission, distribution and sale of electric power and energy, and

WHEREAS, the Customer-Generator is installing certain electric generating facilities, from which excess generation is being purchased by NCPD and said purchase is addressed in an Energy Purchase Agreement with its associated rate schedules entered into simultaneously with this Agreement between the Customer-Generator and NCPD, and

WHEREAS, the Parties to this Agreement will be electrically interconnected to provide a path for the delivery of excess generation from the Customer-Generator’s electric generating facilities to the delivery facilities of NCPD.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the Parties do hereby mutually agree as follows:

**ARTICLE I
DEFINITIONS**

- 1.1 The term “Customer-Generator Generation” shall mean the output from the DG Facility to be installed and owned by the Customer-Generator and from which excess generation over the on-site requirements of the Customer-Generator is being purchased by NCPPD. Said DG Facility output has total generation nominally rated at _____ Kilowatts (kW).
- 1.2 The term "Customer-Generator Point of Delivery" shall mean that point where the Customer-Generator delivers excess Customer-Generator Generation for receipt by NCPPD, as identified on Exhibit A to this Agreement.
- 1.3 The term “DG Facility” shall mean all systems, equipment, facilities and other items comprising or necessary to operate and maintain the Customer-Generator Generation, which includes obtaining and delivery of fuel, and the generator systems.
- 1.4 The term "Metering Equipment" shall mean all equipment used to meter the amount of electrical power and/or energy delivered from NCPPD to the Customer-Generator, the amount of electrical power and/or energy delivered from the DG Facility to the NCPPD system, and when deemed appropriate by NCPPD, the amount of total DG Facility generation.
- 1.5 The term “Point of Measurement” shall mean that point(s) where the amount of electrical power and/or energy delivered from NCPPD to the Customer-Generator, the amount of electrical power and/or energy delivered from the DG Facility to the NCPPD system and the amount of DG Facility generation are metered, as identified on Exhibit A to this Agreement.
- 1.6 The term “Point of Interconnection” shall mean that point where NCPPD owned facilities interconnect with NCPPD owned Interconnection Facilities, as identified on Exhibit A to this Agreement.
- 1.7 The term “Interconnection Facilities” shall mean the NCPPD-owned facilities necessary to facilitate the physical interconnection between NCPPD and Customer-Generator between the Customer-Generator Point of Delivery and the Point of Interconnection.
- 1.8 The term “Exhibit A” shall refer to the Exhibit which is made a part of this Agreement showing the interconnection characteristics of Customer-Generator Point of Delivery, Point of Measurement, Point of Interconnection, Metering Equipment, Interconnection Facilities, and any special conditions applicable to the interconnection of the DG Facility to the NCPPD distribution system. Exhibit A may be revised from time to time by mutual agreement of the Parties hereto

and when properly executed by the duly authorized officers or agents of the Parties shall become a part of this Agreement.

ARTICLE II TERM OF AGREEMENT

- 2.1 This Agreement shall become effective on the date first above written and shall continue in force for a period of _____ years, unless sooner terminated in a manner herein provided. Unless prohibited by then-applicable laws or regulations, either Party may terminate this Agreement by providing at least three (3) years prior written notice, which notice can be given at any time after the second year of this Agreement. In addition, if the Energy Purchase Agreement between The Customer-Generator and NCPPD is terminated or no longer valid or effective for any reason, this Agreement will terminate simultaneously.
- 2.2 NCPPD shall have the right to require the Customer-Generator to immediately disconnect, or NCPPD will cause to be disconnected, the generation facility without advance notice or liability if: a) there are any changes or alterations to the DG facility equipment which are unapproved by NCPPD; b) in NCPPD's sole judgment, the facility has not incorporated necessary features for automatically counteracting the effect of anticipated possible sources of failure (fail-safe design); c) the facility causes any electrical problem(s) with other NCPPD customers; d) the facility may pose a risk to NCPPD employees, customers or the general public. Should this occur, it shall give NCPPD the right to terminate its agreement with the Customer-Generator and to recover from the Customer-Generator the cost and expenses incurred by NCPPD.

ARTICLE III APPLICABLE LAWS AND REGULATIONS

- 3.1 This Agreement and all rights, obligations, and performances of the Parties hereunder, are subject to all applicable federal, state and local laws, ordinances, rules and regulations, and other duly authorized action of any governmental authority having jurisdiction over the Parties and/or their respective facilities. A Party performing work within the boundaries of the other Party's facilities must abide by the safety rules applicable to the site.

ARTICLE IV INTERCONNECTION FACILITIES

- 4.01 The Customer-Generator shall own and be responsible for the cost, design, equipment, installation, maintenance, and renewals and replacements of the DG Facility and all facilities, except metering, from the DG Facility to the Customer-Generator Point of Delivery as identified on Exhibit A to this Agreement. The generation equipment must detect and operate the generator breaker for system disturbances or generator malfunctions. Said facilities/equipment installed must meet applicable codes for generation facilities of this size to include but not be limited to, the National Electric Code, National Electric Safety Code, the Institute of Electrical and Electronics Engineers, and qualified independent testing laboratories.
- 4.02 NCPPD shall make, or cause to make, the physical wiring connection at the Customer-Generator Point of Delivery.
- 4.03 NCPPD shall own and be responsible for the design, equipment, installation, maintenance, and renewals and replacements of all facilities required to deliver the Customer-Generator Generation from the Customer-Generator Point of Delivery to the Point of Interconnection, as identified on Exhibit A. These Interconnection Facilities shall include the metering equipment; step up transformer, the conduit and cable, line protection, riser and switch.
- 4.04 The Customer-Generator agrees to allow NCPPD access to the DG facility under both normal and emergency conditions for the purpose of inspection and testing of the interconnection equipment. Under normal conditions, NCPPD intends to provide advance notice of all site visits and will coordinate such visits with the Customer-Generator or Customer-Generator's representative. Emergency conditions may require NCPPD access the DG facility without advance notice.
- 4.05 Upon termination of this Agreement, for any reason, either Party shall have the right to reclaim Interconnection Facilities that it owns as identified on Exhibit A.
- 4.06 NCPPD shall have sole authority to operate and maintain switches and other equipment located on NCPPD owned Interconnection Facilities.
- 4.07 The Customer-Generator agrees to limit generation, to the extent requested by NCPPD in order to facilitate operation and maintenance of Interconnection Facilities or NCPPD distribution facilities.

- 4.08 Customer-Generator Generation shall be capable of synchronizing with an energized NCPPD distribution system. The synchronous switching which interconnects the generation equipment to the NCPPD line will be completed by an automatic synchronizing device to prevent damage to equipment. Upon completion of the generator connections and prior to the initial connection to the NCPPD system, The Customer-Generator and NCPPD will jointly check phasing and rotation between the generator and the utility system.
- 4.09 NCPPD requires periodic testing and verification of all DG-utility interconnections. The test(s) shall verify the interconnection functions as originally approved by NCPPD. The interconnection equipment shall be tested for conformity with the initial, 'as installed' test requirements. Except as may be exempted by NCPPD, the testing shall be certified by a Professional Electrical Engineer registered in the state where the project is being constructed. If required by NCPPD, the engineer shall be selected by the Customer-Generator and all engineering services shall be performed at the Customer-Generator's expense. The Customer-Generator shall also reimburse NCPPD for the direct, actual expenses incurred by NCPPD as a result of testing. An example of such expenses would be reimbursement for a NCPPD crew or technician to 'stand by' during testing to be available in the event problems arise.
- 4.10 If the Customer-Generator, at any time after the original construction of the Interconnection Facilities, requests a change or relocation of the Interconnection Facilities for any reason, a request from the Customer-Generator to NCPPD for such change shall be made at least six months prior to the date of the proposed change or relocation. NCPPD will provide to the Customer-Generator, as soon as practicable after a change or relocation request has been received, the estimated cost for the change or relocation of the Interconnected Facilities. Should the Customer-Generator decide to proceed with such change or relocation and prior to NCPPD starting the work associated with the project, the parties shall agree upon the terms and conditions governing such change or relocation of Interconnected Facilities. All costs for change or relocation of the Interconnected Facilities requested by The Customer-Generator, including but not limited to, design, engineering, material, and installation shall be borne by the Customer-Generator. In the event NCPPD is required to change or relocate Interconnection Facilities due to the action of any governmental entity having regulatory authority over such facilities or upon request of change or relocation by NCPPD for any reason, then the costs of the change or relocation of the Interconnected Facilities shall be borne by NCPPD.

**ARTICLE V
DELIVERY POINT AND METERING**

- 5.1 The excess Customer-Generator Generation shall be delivered by the Customer-Generator to NCPPD at the Customer-Generator Point of Delivery, as identified on Exhibit A to this Agreement, and NCPPD shall take possession of such output, as measured by metering equipment outlined on Exhibit A, at that point.
- 5.2 NCPPD shall own and be responsible for the cost, equipment, installation and maintenance to provide Metering Equipment at the Point(s) of Measurement, as shown on Exhibit A.
- 5.3 The NCPPD provided metering will meter the amount of electrical power and/or energy delivered from NCPPD to the Customer-Generator, the amount of electrical power and/or energy delivered from the DG Facility to the NCPPD system, and when deemed appropriate by NCPPD, the total amount of DG Facility generation. The total amount of any power and/or energy delivered to the Customer-Generator shall be the amount of power and/or energy that will be charged per the applicable NCPPD retail rate schedule, and for which the Customer-Generator shall be responsible to pay NCPPD for those assessed costs. The total amount of any power and/or energy delivered to NCPPD shall be the amount of power and/or energy that will be credited per the applicable NCPPD avoided cost rate schedule, and for such monetary amount NCPPD may either give as a credit on a future invoice to the Customer-Generator or as a check from NCPPD to Customer-Generator.

**ARTICLE VI
DELIVERY SERVICE**

- 6.1 NCPPD takes delivery of the Customer-Generator Generation at Customer-Generator Point of Delivery on NCPPD owned Interconnection Facilities.
- 6.2 Interconnection of the DG Facility with NCPPD's distribution system does not grant to the Customer-Generator the right to export power, nor does it constitute an agreement to wheel excess power.

**ARTICLE VII
OWNERSHIP OF FACILITIES**

- 7.1 Any Party having ownership of any and all equipment, and all salvageable facilities, installed on the property of the other, shall be and remain the owner of such property.

ARTICLE VIII

INDEMNITY

- 8.1 The Customer-Generator hereby agrees to indemnify and hold harmless NCPPD, their respective directors, officers, employees, agents and representatives, from any and all losses, and any and all claims, liabilities, penalties, fines, costs and expenses incurred or paid in connection with any threatened or completed demand, claim, suit, order, injunction, proceeding or other action threatened or brought against an indemnified person for any reason whatsoever including (without limitation) for the loss of or damage to any property, or for the injury, disease or death of any person, caused by (whether in whole or in part), arising from, or in any manner related to any act or omission of the Customer-Generator, or any person acting for or on his behalf, in connection with any activity performed or undertaken pursuant to this Agreement. This agreement for indemnity shall survive the expiration or other termination of this Agreement.

**ARTICLE IX
CAPTIONS**

- 9.1 The captions of the various sections and paragraphs herein are intended for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

**ARTICLE X
WAIVER**

- 10.1 Any waiver at any time by a Party of its rights, or any delay in enforcing its rights, with respect to any default by the other Party hereto, or with respect to any other matter arising out of or related to this Agreement, shall not be considered a waiver with respect to any other default or matter.

ARTICLE XI

ASSIGNMENT OF AGREEMENT

- 11.1 This Agreement may not be assigned by the Parties or assumed by any successor of the Parties hereto without the written consent of the other Parties.

- 11.2 This Interconnection and Service Agreement and all related documents are not transferable to parties, DG facilities or DG equipment other than those identified in said documents. If the DG facility undergoes a change of Customer-Generatorship, or the facility is modified, any existing agreements between the previous Customer-Generator and NCPPD are considered null and void. The new Customer-Generator, or the Customer-Generator of a modified DG facility, does not have NCPPD permission for closed transition operation, and such circumstances will require the execution of a new Interconnection and Service Agreement. Refer to the NCPPD Distribution Generation (DG) Policies and Procedures Manual's for DG Installations renewal requirements for additional information.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed, in duplicate, by their duly authorized officers or representatives as of the day and year first above written.

NORTH CENTRAL PUBLIC POWER DISTRICT:

By: _____

Typed Name: _____

Title: _____

Date: _____

Customer-Generator:

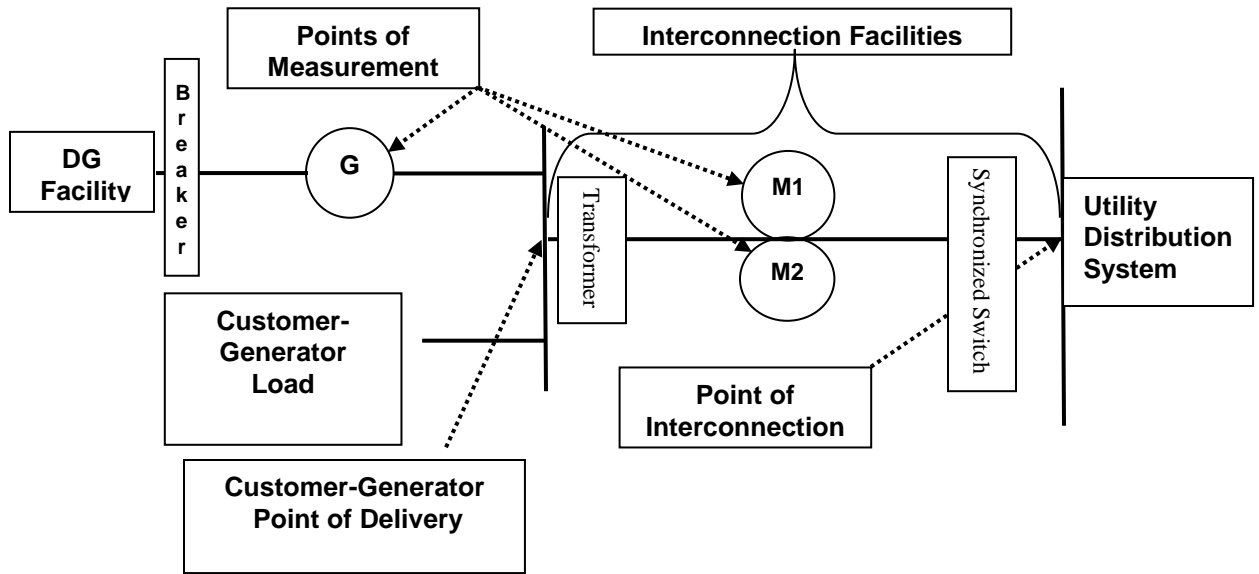
By: _____

Typed Name: _____

Title: _____

Date: _____

INTERCONNECTION AGREEMENT - EXHIBIT A
BETWEEN
NORTH CENTRAL PUBLIC POWER DISTRICT
AND
Customer-Generator



Note: Drawing is not to scale

INTERCONNECTION AGREEMENT TERM

Commencing: _____, 20____
 Ending - Pursuant to Article II of Interconnection Agreement

EXHIBIT A TERM

Commencing: _____, 20____
 Revisions: Pursuant to Article IV of Interconnection Agreement
 Ending: Coincident with Interconnection Term

CUSTOMER-GENERATOR POINT OF DELIVERY:

The low side terminal of the step up transformer

POINT OF INTERCONNECTION

Point where NCPPD distribution facilities connect to the pole top switch

POINT OF MEASUREMENT

Meter M1: Located at the Point of Interconnection and measures all Customer-Generator purchases

Meter M2: Located at the Point of Interconnection and measures all Customer-Generator exports to NCPPD (Meters M1 and M2 may be a single or separate meters at the discretion of NCPPD)

Meter G: Located on/at the DG Facility and measures all DG Facility Generation
 (Installed at the discretion of NCPPD)

APPROVED:

By: _____ Date _____
North Central Public Power District

By: _____ Date _____
~~DG Operator~~ Customer-Generator