

LEVELS 2 TO 4 INTERCONNECTION AGREEMENT

(For Distributed Generation Facilities with a capacity of 10 MVA or less)

This agreement (“Agreement”) is made and entered into this ____ day of _____, by and between _____ (“interconnection member-owner”), as an individual person, or as a _____ organized and existing under the laws of the State of _____, and Iowa Lakes Electric Cooperative, (“Cooperative”), a cooperative corporation existing under the laws of the State of Iowa. Interconnection member-owner and Cooperative each may be referred to as a “Party,” or collectively as the “Parties.”

Recitals:

Whereas, interconnection member-owner is proposing to install or direct the installation of a distributed generation facility, or is proposing a generating capacity addition to an existing distributed generation facility, consistent with the interconnection request application form completed by interconnection member-owner on _____; and

Whereas, the interconnection member-owner will operate and maintain, or cause the operation and maintenance of, the distributed generation facility; and

Whereas, interconnection member-owner desires to interconnect the distributed generation facility with Cooperative’s electric distribution system.

Now, therefore, in consideration of the premises and mutual covenants set forth in this Agreement, the Parties covenant and agree as follows:

Article 1. Scope and Limitations of Agreement

- 1.1 This Agreement shall be used for all approved interconnection requests for distributed generation facilities that fall under Levels 2, 3, and 4 according to the procedures set forth in the Cooperative's tariff.
- 1.2 This Agreement governs the terms and conditions under which the distributed generation facility will interconnect to, and operate in parallel with, the Cooperative’s electric distribution system.
- 1.3 This Agreement does not constitute an agreement to purchase or deliver the interconnection member-owner’s power. Any excess output sought to be sold by the QF to the utility shall be purchased by Corn Belt or NIPCO under a separate Power Purchase Agreement under the Joint PURPA Implementation Plan filed with FERC and such purchases shall be subject to any limitations as may be set forth elsewhere in the Cooperative's tariffs or rate schedules.
- 1.4 Nothing in this Agreement is intended to affect any other agreement between the Cooperative and the interconnection member-owner.
- 1.5 Terms used in this Agreement are defined in Attachment 1 hereto or in Iowa Utilities Board Chapter 45 rules on Electric Interconnection of Distributed Generation Facilities (199 IAC 45.1) unless otherwise noted.
- 1.6 Responsibilities of the Parties

- 1.6.1 The Parties shall perform all obligations of this Agreement in accordance with all applicable laws, regulations, codes, ordinances, orders, or similar directives of any government or other authority having jurisdiction.
- 1.6.2 The Cooperative shall construct, own, operate, and maintain its interconnection facilities in accordance with this Agreement.
- 1.6.3 The interconnection member-owner shall construct, own, operate, and maintain its distributed generation facility and interconnection facilities in accordance with this Agreement.
- 1.6.4 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for, the facilities that it now or subsequently may own unless otherwise specified in the attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair, and condition of its respective lines and appurtenances on its respective sides of the point of interconnection.
- 1.6.5 The interconnection member-owner agrees to design, install, maintain, and operate its distributed generation facility so as to minimize the likelihood of causing an adverse system impact on the electric distribution system or any other electric system that is not owned or operated by the Cooperative.
- 1.6.6 The interconnection member-owner shall designate an operator who will be responsible for day-to-day operations of the distributed generation facility and available for communication on a 24 hour per day/7 day per week basis with Cooperative, G&T, the Local Balancing Authority, Midcontinent Independent System Operator, Inc. or Southwest Power Pool and other applicable entities with jurisdiction over the operation of the Facility and Cooperative's System.

1.7 Parallel Operation Obligations

Once the distributed generation facility has been authorized to commence parallel operation, the interconnection member-owner shall abide by all operating procedures established in IEEE Standard 1547 and any other applicable laws, statutes, or guidelines, including those specified in Attachment 4 of this Agreement.

1.8 Metering

The interconnection member-owner shall be responsible for the cost to purchase, install, operate, maintain, test, repair, and replace metering and data acquisition equipment specified in Attachments 5 and 6 of this Agreement.

1.9 Reactive Power

- 1.9.1 Interconnection member-owners with a distributed generation facility larger than or equal to 1 MVA shall design their distributed generation facilities to maintain a power factor at the point of interconnection between .95 lagging and .95 leading at all times. Interconnection member-owners with a distributed generation facility smaller than 1 MVA shall design their distributed generation facility to maintain a power factor at the point of interconnection between .90 lagging and .90 leading at all times.

- 1.9.2 Any Cooperative requirements for meeting a specific voltage or specific reactive power schedule as a condition for interconnection shall be clearly specified in Attachment 4. Under no circumstance shall the Cooperative's additional requirements for voltage or reactive power schedules be outside of the agreed-upon operating parameters defined in Attachment 4.
- 1.9.3 If the interconnection member-owner does not operate the distributed generation facility within the power factor range specified in Attachment 4, or does not operate the distributed generation facility in accordance with a voltage or reactive power schedule specified in Attachment 4, the interconnection member-owner is in default, and the terms of Article 6.5 apply.

1.10 Standards of Operations

The interconnection member-owner must obtain all certifications, permits, licenses, and approvals necessary to construct, operate, and maintain the facility and to perform its obligations under this Agreement. The interconnection member-owner is responsible for coordinating and synchronizing the distributed generation facility with the Cooperative's system. The interconnection member-owner is responsible for any damage that is caused by the interconnection member-owner's failure to coordinate or synchronize the distributed generation facility with the electric distribution system. The interconnection member-owner agrees to be primarily liable for any damages resulting from the continued operation of the distributed generation facility after the Cooperative ceases to energize the line section to which the distributed generation facility is connected. In Attachment 4, the Cooperative shall specify the shortest reclose time setting for its protection equipment that could affect the distributed generation facility. The Cooperative shall notify the interconnection member-owner at least 10 business days prior to adopting a faster reclose time on any automatic protective equipment, such as a circuit breaker or line recloser, that might affect the distributed generation facility.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

The interconnection member-owner shall test and inspect its distributed generation facility including the interconnection equipment prior to interconnection in accordance with IEEE Standard 1547 (2003) and IEEE Standard 1547.1 (2005). The interconnection member-owner shall not operate its distributed generation facility in parallel with the Cooperative's electric distribution system without prior written authorization by the Cooperative as provided for in Articles 2.1.1-2.1.3.

- 2.1.1 The Cooperative shall perform a witness test after construction of the distributed generation facility is completed, but before parallel operation, unless the Cooperative specifically waives the witness test. The interconnection member-owner shall provide the Cooperative at least 15 business days' notice of the planned commissioning test for the distributed generation facility. If the Cooperative performs a witness test at a time that is not concurrent with the commissioning test, it shall contact the interconnection member-owner to schedule the witness test at a mutually agreeable time within 10 business days after the scheduled commissioning test designated on the application. If the Cooperative does not perform the witness test within 10 business days after the commissioning test, the witness test is deemed waived unless the Parties mutually agree to extend the date for scheduling the witness test, or unless the Cooperative cannot do so for good cause, in which case, the Parties shall agree to another date for scheduling the test within 10 business days after the original scheduled date. If the witness test is not acceptable to the Cooperative, the interconnection member-owner has 30 business days to address and resolve any deficiencies. This time period may be extended upon

agreement in writing between the Cooperative and the interconnection member-owner. If the interconnection member-owner fails to address and resolve the deficiencies to the satisfaction of the Cooperative, the applicable cure provisions of Article 6.5 shall apply. The interconnection member-owner shall, if requested by the Cooperative, provide a copy of all documentation in its possession regarding testing conducted pursuant to IEEE Standard 1547.1.

2.1.2 If the interconnection member-owner conducts interim testing of the distributed generation facility prior to the witness test, the interconnection member-owner shall obtain permission from the Cooperative before each occurrence of operating the distributed generation facility in parallel with the electric distribution system. The Cooperative may, at its own expense, send qualified personnel to the distributed generation facility to observe such interim testing, but it cannot mandate that these tests be considered in the final witness test. The Cooperative is not required to observe the interim testing or precluded from requiring the tests be repeated at the final witness test.

2.1.3 After the distributed generation facility passes the witness test, the Cooperative shall affix an authorized signature to the certificate of completion and return it to the interconnection member-owner approving the interconnection and authorizing parallel operation. The authorization shall not be conditioned nor delayed.

2.2 Commercial Operation

The interconnection member-owner shall not operate the distributed generation facility, except for interim testing as provided in Article 2.1, until such time as the certificate of completion is signed by all Parties.

2.3 Right of Access

The Cooperative must have access to the disconnection device and metering equipment of the distributed generation facility at all times. When practical, the Cooperative shall provide notice to the member-owner prior to using its right of access.

2.4 Inspections and testing

The operator of the distributed generation facility shall adopt a program of inspection and testing of the generator and its appurtenances and the interconnection facilities in order to determine necessity for replacement and repair. Such a program shall include all periodic tests and maintenance prescribed by the manufacturer. If the periodic testing of interconnection-related protective functions is not specified by the manufacturer, periodic testing shall occur at least once every five years. All interconnection-related protective functions shall be periodically tested, and a system that depends upon a battery for trip power shall be checked and logged. The operator shall maintain test reports and shall make them available upon request by the electric Cooperative. Representatives of the Cooperative shall have access at all reasonable hours to the interconnection equipment specified in 199 IAC 45.3(2) for inspection and testing with reasonable prior notice to the applicant.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by all Parties.

3.2 Term of Agreement

This Agreement shall become effective on the effective date and shall remain in effect unless terminated in accordance with Article 3.3 of this Agreement.

3.3 Termination

- 3.3.1 The interconnection member-owner may terminate this Agreement at any time by giving the Cooperative 30 calendar days' prior written notice.
- 3.3.2 Either Party may terminate this Agreement after default pursuant to Article 6.5.
- 3.3.3 The Cooperative may terminate, upon 60 calendar days' prior written notice, for failure of the interconnection member-owner to complete construction of the distributed generation facility within 12 months after the in-service date as specified by the Parties in Attachment 2, which may be extended by mutual written agreement between the Parties prior to the expiration of the 12-month period.
- 3.3.4 The Cooperative may terminate this Agreement, upon 60 calendar days' prior written notice, if the interconnection member-owner has abandoned, cancelled, permanently disconnected or stopped development, construction, or operation of the distributed generation facility, or if the interconnection member-owner fails to operate the distributed generation facility in parallel with the Cooperative's electric system for three consecutive years.
- 3.3.5 Upon termination of this Agreement, the distributed generation facility will be disconnected from the Cooperative's electric distribution system. Terminating this Agreement does not relieve either Party of its liabilities and obligations that are owed or continuing when the Agreement is terminated.
- 3.3.6 If the Agreement is terminated, the interconnection member-owner loses its position in the interconnection review order.

3.4 Temporary Disconnection

A Party may temporarily disconnect the distributed generation facility from the electric distribution system in the event one or more of the following conditions or events occurs:

- 3.4.1 Emergency conditions - shall mean any condition or situation: (1) that in the judgment of the Party making the claim is likely to endanger life or property; or (2) that the Cooperative determines is likely to cause an adverse system impact, or is likely to have a material adverse effect on the Cooperative's electric distribution system, interconnection facilities or other facilities, or is likely to interrupt or materially interfere with the provision of electric utility service to other member-owners; or (3) that is likely to cause a material adverse effect on the distributed generation facility or the interconnection equipment. Under emergency conditions, the Cooperative or the interconnection member-owner may suspend interconnection service and temporarily disconnect the distributed generation facility from the electric distribution system without giving notice to the other Party, provided that it gives notice as soon as practicable thereafter. The Cooperative must notify the interconnection member-owner when it becomes aware of any conditions that might affect the interconnection member-owner's operation of the

distributed generation facility. The interconnection member-owner shall notify the Cooperative when it becomes aware of any condition that might affect the Cooperative's electric distribution system. To the extent information is known, the notification shall describe the condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

- 3.4.2 Scheduled maintenance, construction, or repair - the Cooperative may interrupt interconnection service or curtail the output of the distributed generation facility and temporarily disconnect the distributed generation facility from the Cooperative's electric distribution system when necessary for scheduled maintenance, construction, or repairs on Cooperative's electric distribution system. To the extent possible, the Cooperative shall provide the interconnection member-owner with notice five business days before an interruption. The Cooperative shall coordinate the reduction or temporary disconnection with the interconnection member-owner; however, the interconnection member-owner is responsible for out-of-pocket costs incurred by the Cooperative for deferring or rescheduling maintenance, construction, or repair at the interconnection member-owner's request.
- 3.4.3 Forced outages - The Cooperative may suspend interconnection service to repair the Cooperative's electric distribution system. The Cooperative shall provide the interconnection member-owner with prior notice, if possible. If prior notice is not possible, the Cooperative shall, upon written request, provide the interconnection member-owner with written documentation, after the fact, explaining the circumstances of the disconnection.
- 3.4.4 Adverse system impact - the Cooperative must provide the interconnection member-owner with written notice of its intention to disconnect the distributed generation facility, if the Cooperative determines that operation of the distributed generation facility creates an adverse system impact. The documentation that supports the Cooperative's decision to disconnect must be provided to the interconnection member-owner. The Cooperative may disconnect the distributed generation facility if, after receipt of the notice, the interconnection member-owner fails to remedy the adverse system impact within 12 days, unless emergency conditions exist, in which case, the provisions of Article 3.4.1 apply. The Cooperative may continue to leave the generating facility disconnected until the adverse system impact is corrected to the satisfaction of both the Cooperative and the adversely-impacted member-owner.
- 3.4.5 Modification of the distributed generation facility - The interconnection member-owner must receive written authorization from the Cooperative prior to making any change to the distributed generation facility, other than a minor equipment modification. If the interconnection member-owner modifies its facility without the Cooperative's prior written authorization, the Cooperative has the right to disconnect the distributed generation facility until such time as the Cooperative concludes the modification poses no threat to the safety or reliability of its electric distribution system.
- 3.4.6 Unauthorized connection to the Cooperative's electric distribution system.
- 3.4.7 Failure of the distributed generation facility to operate in accordance with this Agreement or the applicable requirements of 199 IAC Chapter 15 or the Cooperative's tariff.
- 3.4.8 The Cooperative is not responsible for any lost opportunity or other costs incurred by interconnection member-owner as a result of an interruption of service under Article 3.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

- 4.1.1 The interconnection member-owner shall pay for the cost of the interconnection facilities itemized in Attachment 3. The Cooperative shall identify the additional interconnection facilities necessary to interconnect the distributed generation facility with the Cooperative's electric distribution system, the cost of those facilities, and the time required to build and install those facilities, as well as an estimated date of completion of the building or installation of those facilities.
- 4.1.2 The interconnection member-owner is responsible for its expenses, including overheads, associated with owning, operating, maintaining, repairing, and replacing its interconnection equipment.

4.2 Distribution Upgrades

The Cooperative shall design, procure, construct, install, and own any distribution upgrades. The actual cost of the distribution upgrades, including overheads, shall be directly assigned to the interconnection member-owner whose distributed generation facility caused the need for the distribution upgrades.

Article 5. Billing, Payment, Milestones, and Financial Security

5.1 Billing and Payment Procedures and Final Accounting (Applies to additional reviews conducted under a Level 2 review and Level 4 reviews)

- 5.1.1 The Cooperative shall bill the interconnection member-owner for the design, engineering, construction, and procurement costs of Cooperative-provided interconnection facilities and distribution upgrades contemplated by this Agreement as set forth in Attachment 3. The billing shall occur on a monthly basis, or as otherwise agreed to between the Parties. The interconnection member-owner shall pay each billing invoice within 30 calendar days after receipt, or as otherwise agreed to between the Parties, if a balance due is showing after any member-owner deposit funds have been expended.
- 5.1.2 Within 90 calendar days after completing the construction and installation of the Cooperative's interconnection facilities and distribution upgrades described in Attachments 2 and 3 to this Agreement, the Cooperative shall provide the interconnection member-owner with a final accounting report of any difference between (1) the actual cost incurred to complete the construction and installation of the Cooperative's interconnection facilities and distribution upgrades; and (2) the interconnection member-owner's previous deposit and aggregate payments to the Cooperative for the interconnection facilities and distribution upgrades. If the interconnection member-owner's cost responsibility exceeds its previous deposit and aggregate payments, the Cooperative shall invoice the interconnection member-owner for the amount due and the interconnection member-owner shall make payment to the Cooperative within 30 calendar days. If the interconnection member-owner's previous deposit and aggregate payments exceed its cost responsibility under this Agreement, the Cooperative shall refund to the interconnection member-owner an amount equal to the difference within 30 calendar days after the final accounting report. Upon request from the interconnection member-owner, if the difference between the budget estimate and the actual cost exceeds 20%, the Cooperative will provide a written explanation for the difference.

5.1.3 If a Party disputes any portion of its payment obligation pursuant to this Article 5, the Party shall pay in a timely manner all non-disputed portions of its invoice, and the disputed amount shall be resolved pursuant to the dispute resolution provisions contained in Article 8. A Party disputing a portion of an Article 5 payment shall not be considered to be in default of its obligations under this Article.

5.2 Interconnection Member-owner Deposit

At least 20 business days prior to the commencement of the design, procurement, installation, or construction of the Cooperative's interconnection facilities and distribution upgrades, the interconnection member-owner shall provide the Cooperative with a deposit equal to 100% of the estimated, nonbinding cost to procure, install, or construct any such facilities. However, when the estimated date of completion of the building or installation of facilities exceeds three months from the date of payment of the deposit, pursuant to Article 4.1.1 of this Agreement, this deposit may be held by the Cooperative.

Article 6. Assignment, Limitation on Damages, Indemnity, Force Majeure, and Default

6.1 Assignment

This Agreement may be assigned by either Party with the prior consent of the other Party. If the interconnection member-owner attempts to assign this Agreement, the assignee must agree to the terms of this Agreement in writing and such writing must be provided to the Cooperative. Any attempted assignment that violates this Article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason of the assignment. An assignee is responsible for meeting the same obligations as the assignor.

6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate (including mergers, consolidations, or transfers or a sale of a substantial portion of the Party's assets, between the Party and another entity), of the assigning Party that has an equal or greater credit rating and the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement.

6.1.2 The interconnection member-owner can assign this Agreement, without the consent of the Cooperative, for collateral security purposes to aid in providing financing for the distributed generation facility.

6.2 Limitation on Damages

Except for cases of gross negligence or willful misconduct, the liability of any Party to this Agreement shall be limited to direct actual damages, including death, bodily injury, third-party claims, and reasonable attorney's fees, and all other damages at law are waived. Under no circumstances, except for cases of gross negligence or willful misconduct, shall any Party or its directors, officers, employees, and agents, or any of them, be liable to another Party, whether in tort, contract or other basis in law or equity for any special, indirect, punitive, exemplary, or consequential damages, including lost profits, lost revenues, replacement power, cost of capital, or replacement equipment. This limitation on damages shall not affect any Party's rights to obtain equitable relief, including specific performance, as otherwise provided in this Agreement. The provisions of this Article 6.2 shall survive the termination or expiration of the Agreement.

6.3 Indemnity

- 6.3.1 This provision protects each Party from liability incurred as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.
- 6.3.2 The interconnection member-owner shall indemnify and defend the Cooperative and the Cooperative's directors, officers, employees, and agents, from all claims, damages, and expenses, including reasonable attorney's fees, to the extent resulting from the interconnection member-owner's negligent installation, operation, modification, maintenance, or removal of its distributed generation facility or interconnection facilities, or the interconnection member-owner's willful misconduct or breach of this Agreement.
- 6.3.3 The Cooperative shall indemnify and defend the interconnection member-owner and the interconnection member-owner's directors, officers, employees, and agents from all claims, damages, and expenses, including reasonable attorney's fees, to the extent resulting from the Cooperative's negligent installation, operation, modification, maintenance, or removal of its interconnection facilities or electric distribution system, or the Cooperative's willful misconduct or breach of this Agreement.
- 6.3.4 Within 5 business days after receipt by an indemnified Party of any claim or notice that an action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply has commenced, the indemnified Party shall notify the indemnifying Party of such fact. The failure to notify, or a delay in notification, shall not affect a Party's indemnification obligation unless that failure or delay is materially prejudicial to the indemnifying Party.
- 6.3.5 If an indemnified Party is entitled to indemnification under this Article as a result of a claim, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Article, to assume the defense of such claim, that indemnified Party may, at the expense of the indemnifying Party, contest, settle, or consent to the entry of any judgment with respect to, or pay in full, the claim.
- 6.3.6 If an indemnifying Party is obligated to indemnify and hold any indemnified Party harmless under this Article, the amount owing to the indemnified person shall be the amount of the indemnified Party's actual loss, net of any insurance or other recovery by the indemnified Party.

6.4 Force Majeure

- 6.4.1 As used in this Article, a force majeure event shall mean any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage, or accident to machinery or equipment through no direct, indirect, or contributory act of a Party, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities (e.g., Midcontinent Independent System Operator, Inc., Southwest Power Pool), or any other cause beyond a Party's control. A force majeure event does not include an act of gross negligence or intentional wrongdoing by the Party claiming force majeure.

6.4.2 If a force majeure event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the force majeure event ("Affected Party") shall notify the other Party of the existence of the force majeure event as soon as reasonably possible. The notification will specify the circumstances of the force majeure event, its expected duration (if known), and the steps that the Affected Party is taking and will take to mitigate the effects of the event on its performance (if known). If the initial notification is verbal, it must be followed up with a written notification promptly thereafter. The Affected Party shall keep the other Party informed on a periodic basis of developments relating to the force majeure event until the event ends. The Affected Party may suspend or modify its obligations under this Agreement without liability only to the extent that the effect of the force majeure event cannot be otherwise mitigated.

6.5 Default

6.5.1 No default shall exist when the failure to discharge an obligation results from a force majeure event as defined in this Agreement, or the result of an act or omission of the other Party.

6.5.2 A Party shall be in default ("Default") of this Agreement if it fails in any material respect to comply with, observe, or perform, or defaults in the performance of, any covenant or obligation under this Agreement and fails to cure the failure within 60 calendar days after receiving written notice from the other Party. Upon a default of this Agreement, the non-defaulting Party shall give written notice of the default to the defaulting Party. Except as provided in Article 6.5.3, the defaulting Party has 60 calendar days after receipt of the default notice to cure the default; provided, however, if the default cannot be cured within 60 calendar days, the defaulting Party shall commence the cure within 20 calendar days after original notice and complete the cure within six months from receipt of the default notice; and, if cured within that time, the default specified in the notice shall cease to exist.

6.5.3 If a Party has assigned this Agreement in a manner that is not specifically authorized by Article 6.1, fails to provide reasonable access pursuant to Article 2.3, and is in default of its obligations pursuant to Article 7, or if a Party is in default of its payment obligations pursuant to Article 5 of this Agreement, the defaulting Party has 30 days from receipt of the default notice to cure the default.

6.5.4 If a default is not cured as provided for in this Article, or if a default is not capable of being cured within the period provided for in this Article, the non-defaulting Party shall have the right to terminate this Agreement without liability by written notice, and be relieved of any further obligation under this Agreement and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due under this Agreement, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Article shall survive termination of this Agreement.

Article 7. Insurance

7.1 For distributed generation facilities with a nameplate capacity less than 150 kVA, the interconnection member-owner shall carry general liability insurance coverage, such as, but not limited to, homeowner's insurance.

7.2 For distributed generation facilities with a nameplate capacity of 150 kVA or above; but less than 1 MVA, the interconnection member-owner shall carry sufficient coverage so that the maximum comprehensive/general liability coverage that is continuously maintained by the interconnection

member-owner during the terms shall be not less than \$1,000,000 for each occurrence. The Cooperative, its officers, employees and agents shall be added as an additional insured on this policy.

- 7.3 For distributed generation facilities with a nameplate capacity of 1 MVA or above, the interconnection member-owner shall carry sufficient insurance coverage so that the maximum comprehensive/general liability coverage that is continuously maintained by the interconnection member-owner during the term shall be not less than \$2,000,000 for each occurrence, and an aggregate, if any, of at least \$4,000,000. The Cooperative, its officers, employees and agents shall be added as an additional insured on this policy.
- 7.4 The interconnection member-owner agrees to provide the Cooperative with at least 30 calendar days' advance written notice of cancellation, reduction in limits, or non-renewal of any insurance policy required by this Article.

Article 8. Dispute Resolution

- 8.1 Parties shall attempt to resolve all disputes regarding interconnection as provided in this Article in a good faith manner.
- 8.2 If there is a dispute between the Parties about an interpretation of the Agreement, the aggrieved Party shall issue a written notice to the other Party to the agreement that specifies the dispute and the Agreement articles that are disputed.
- 8.3 A meeting between the Parties shall be held within ten business days after receipt of the written notice. Persons with decision-making authority from each Party shall attend the meeting. If the dispute involves technical issues, persons with sufficient technical expertise and familiarity with the issue in dispute from each Party shall also attend the meeting. If the Parties agree, the meeting may be conducted by teleconference.
- 8.4 After the first meeting, each Party may seek resolution through the Iowa Utilities Board Chapter 6 complaint procedures (199 IAC 6). Dispute resolution under these procedures will initially be conducted informally under 199 IAC 6.2 through 6.4 to minimize cost and delay. If any Party is dissatisfied with the outcome of the informal process, the Party may file a formal complaint with the Board under 199 IAC 6.5.
- 8.5 Pursuit of dispute resolution may not affect an interconnection request or an interconnection applicant's position in the Cooperative's interconnection review order.
- 8.6 If the Parties fail to resolve their dispute under the dispute resolution provisions of this Article, nothing in this Article shall affect any Party's rights to obtain equitable relief, including specific performance, as otherwise provided in this Agreement.

Article 9. Miscellaneous

9.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation, and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Iowa, without regard to its conflicts of law principles. This Agreement is subject to all applicable laws and regulations. Each Party expressly reserves the right to seek change in, appeal, or otherwise contest any laws, orders, or regulations of a governmental

authority. The language in all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against the Cooperative or interconnection member-owner, regardless of the involvement of either Party in drafting this Agreement.

9.2 Amendment

Modification of this Agreement shall be only by a written instrument duly executed by both Parties.

9.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations in this Agreement assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

9.4 Waiver

9.4.1 Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition in this Agreement may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting the waiver, but the waiver or failure to insist upon strict compliance with the obligation, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

9.4.2 Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights under this Agreement terminated, shall not constitute a waiver or relinquishment of any rights set out in this Agreement, but the same shall be and remain at all times in full force and effect, unless and only to the extent expressly set forth in a written document signed by that Party granting the waiver or relinquishing any such rights. Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition of this Agreement.

9.5 Entire Agreement

Except as provided in Article 9.1, this Agreement, including all attachments and the completed Standard Certificate of Completion, constitutes the entire Agreement between the Parties with reference to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

9.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original, but all constitute one and the same instrument.

9.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties, or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

9.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) that portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by the ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

9.9 Environmental Releases

Each Party shall notify the other Party of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the distributed generation facility or the interconnection facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided that Party makes a good faith effort to provide the notice no later than 24 hours after that Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

9.10 Subcontractors

Nothing in this Agreement shall prevent a Party from using the services of any subcontractor it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing services and each Party shall remain primarily liable to the other Party for the performance of the subcontractor.

9.10.1 A subcontract relationship does not relieve any Party of any of its obligations under this Agreement. The hiring Party remains responsible to the other Party for the acts or omissions of its subcontractor. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of the hiring Party.

9.10.2 The obligations under this Article cannot be limited in any way by any limitation of subcontractor's insurance.

Article 10. Notices

10.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first-class mail, postage prepaid, to the person specified below:

If Notice is to Interconnection Member-owner				
Interconnection Member-owner			Attention	
Mailing Address		City	State	Zip
Phone No. <i>(Daytime)</i>	Phone No. <i>(Evening)</i>	Facsimile No.	Email Address	
If Notice is to the Cooperative				
Cooperative			Attention	
Mailing Address		City	State	Zip
Phone No. <i>(Daytime)</i>	Phone No. <i>(Evening)</i>	Facsimile No.	Email Address	

Alternative Forms of Notice:

Any notice or request required or permitted to be given by either Party to the other Party and not required by this Agreement to be in writing may be given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out above.

10.2 Billing and Payment

Billings and payments shall be sent to the contacts specified for Notices in Article 10.1 above, unless a different address is set out below:

If Billing or Payment is to Interconnection Member-owner				
Interconnection Member-owner			Attention	
Mailing Address		City	State	Zip
If Billing or Payment is to the Cooperative				
Cooperative			Attention	
Mailing Address		City	State	Zip

10.3 Designated Operating Representative

The Parties shall also designate operating representatives to conduct the communications that may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Member-owner's Operating Representative				
Interconnection Member-owner			Attention	
Mailing Address		City	State	Zip

Cooperative's Operating Representative			
Cooperative		Attention	
Mailing Address	City	State	Zip

10.4 Changes to the Notice Information

Either Party may change this notice information by giving five business days' written notice before the effective date of the change.

10.5 Fire Department Notification

When the distributed generation facility is placed in service, owners of interconnected distributed generation facilities are required to notify local fire departments via U.S. mail of the location of distributed generation facilities and the associated disconnection device(s). The owner is required to provide any information related to the distributed generation facility as reasonably required by that local fire department including but not limited to:

1. A site map showing property address; service point from Cooperative; distributed generation facility and disconnect location(s); location of rapid shutdown and battery disconnect(s), if applicable; property owner's or owner's representative's emergency contact information; Cooperative's emergency telephone number; and size of the distributed generation facility.
2. Information to access the disconnection device.
3. A statement from the owner verifying that the distributed generation facility was installed in accordance with the current state-adopted National Electrical Code

Article 11. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Interconnection Member-owner	
Interconnection Member-owner Signature	Date
Printed Name	Title
For the Cooperative	
Cooperative Representative's Signature	Date
Printed Name	Title

ATTACHMENT 1
Levels 2 To 4: Standard Interconnection Agreement

Construction Schedule, Proposed Equipment & Settings

This attachment is to be completed by the interconnection member-owner and shall include the following:

1. The construction schedule for the distributed generation facility.
2. A one-line diagram indicating the distributed generation facility, interconnection equipment, interconnection facilities, metering equipment, and distribution upgrades.
3. Component specifications for equipment identified in the one-line diagram.
4. Component settings.
5. Proposed sequence of operations.
6. A three-line diagram showing current potential circuits for protective relays.
7. Relay tripping and control schematic diagram.
8. A plot plan showing the distributed generation facility's location in relation to streets, alleys, address, or other geographical markers.

ATTACHMENT 2
Levels 2 To 4: Standard Interconnection Agreement

Description, Costs and Time Required to Build and Install the Cooperative's Interconnection Facilities

This attachment is to be completed by the Cooperative and shall include the following:

1. Required interconnection facilities, including any required metering.
2. An estimate of itemized costs charged by the Cooperative for interconnection, including overheads, based on results from prior studies.
3. An estimate for the time required to build and install the Cooperative's interconnection facilities based on results from prior studies and an estimate of the date upon which the facilities will be completed.

ATTACHMENT 3
Levels 2 To 4: Standard Interconnection Agreement

Operating Requirements for Distributed Generation Facilities Operating in Parallel

The Cooperative shall list specific operating practices that apply to this distributed generation interconnection and the conditions under which each listed specific operating practice applies.

ATTACHMENT 4
Levels 2 To 4: Standard Interconnection Agreement

Monitoring and Control Requirements

This attachment is to be completed by the Cooperative and shall include the following:

1. The Cooperative's monitoring and control requirements must be specified, along with a reference to the Cooperative's written requirements and the documents from which these requirements are derived.
2. An internet link to the requirements documents.

ATTACHMENT 5
Levels 2 To 4: Standard Interconnection Agreement

Metering Requirements

This attachment is to be completed by the Cooperative and shall include the following:

1. The metering requirements for the distributed generation facility. For QF's with a capacity rating of 50 kW or greater but less than 150 kW, demand metering will be required. For facilities with a capacity rating of 150 kW or greater, WAPA will require SCADA and other communications facilities. The specific requirements will be included in the Agreements to be executed between the QF and the utility. Some of these requirements are detailed in the Requirements for Generation & Transmission Interconnections published by Corn Belt, which can be made available upon request.
2. Identification of the appropriate metering rules as set out in the Cooperative's tariff filed with the Iowa Utilities Board under subrule 199 IAC 20.2(5), and inspection and testing practices adopted under rule 199 IAC 20.6 that establish these requirements.
3. An internet link to these rules and practices.

ATTACHMENT 6
Levels 2 To 4: Standard Interconnection Agreement

As Built Documents

This attachment is to be completed by the interconnection member-owner and shall include the following:

When it returns the certificate of completion to the Cooperative, the interconnection member-owner shall provide the Cooperative with documents detailing the as-built status of the following:

1. A one-line diagram indicating the distributed generation facility, interconnection equipment, interconnection facilities, and metering equipment.
2. Component specifications for equipment identified in the one-line diagram.
3. Component settings.
4. Proposed sequence of operations.
5. A three-line diagram showing current potential circuits for protective relays.
6. Relay tripping and control schematic diagram.