

**AGREEMENT
FOR
INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION (DG)**

This Interconnection Agreement ("Agreement") is made and entered into this ____ day of _____, 200_, by Amicalola Electric Membership Corporation, ("Cooperative"), a corporation organized under the laws of the state of Georgia, and _____ ("DG Owner/Operator"), each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** – This Agreement is applicable to conditions under which the Cooperative and the DG Owner/Operator agree that one generating facility (described in the Application for Interconnection of Distributed Generation Facilities) owned by the DG Owner/Operator of ____ kW or less, to be interconnected at a nominal _____ Volts ("Facilities"), may be interconnected to the Cooperative's electric power distribution system ("System").
2. **Establishment of Point of Interconnection** – The point where the electric energy first leaves the wires or facilities owned by the Cooperative and enters the wires or facilities provided by the DG Owner/Operator is the "Point of Interconnection." Cooperative and DG Owner/Operator agree to interconnect the Facilities at the Point of Interconnection in accordance with the Cooperative's rules, regulations, by-laws, rates, and tariffs, as well as applicable code requirements, and IEEE standards, (in entirety, the "Rules") which are incorporated herein by reference. The interconnection equipment installed by the DG Owner/Operator ("Interconnection Facilities") shall be in accordance with the "Rules" as well.
3. **Responsibilities of Cooperative and DG Owner/Operator for Installation, Operation and Maintenance of Facilities** – DG Owner/Operator will, at its own cost and expense, install, operate, maintain, repair, and inspect, and shall be fully responsible for, its Facilities and Interconnection Facilities. DG Owner/Operator shall conduct operations of its Facilities and Interconnection Facilities in compliance with all aspects of the "Rules" and in accordance with industry standards and prudent engineering practice, and indemnify and hold harmless the Cooperative for any non-compliance of the same in accordance with Section 6 of the Agreement. The Cooperative shall conduct operations of its electric distribution facilities in

compliance with the "Rules". Unless otherwise specified, the cost of facilities installed by the Cooperative in order to fulfill the purposes of this Agreement, shall be recovered from the DG Owner/Operator on a monthly carrying cost basis, further defined as the actual investment by the Cooperative on behalf of the DG Owner/Operator times a carrying cost factor. Maintenance of Facilities and Interconnection Facilities shall be performed in accordance with the applicable manufacturers' recommended maintenance schedule. The DG Owner/Operator agrees to cause its Facilities and Interconnection Facilities to be constructed in accordance with the "Rules" and specifications equal to or better than those provided by the National Electrical Safety Code and the National Electrical Code, both codes approved by the American National Standards Institute and the Institute of Electrical and Electronic Engineers, Inc., in effect at the time of construction, and shall indemnify and hold harmless the Cooperative for any non-compliance of the same in accordance with Section 6 of the Agreement.

The DG Owner/Operator covenants and agrees to design, install, maintain, and operate its Facilities and Interconnection Facilities so as to reasonably minimize the likelihood of a malfunction or other disturbance, damaging or otherwise affecting or impairing the System. DG Owner/Operator shall comply with all applicable laws, regulations, zoning codes, building codes, safety rules and environmental restrictions applicable to the design, installation, operation and maintenance of its Facilities and Interconnection Facilities.

Cooperative will notify DG Owner/Operator if there is evidence that the Facilities' or Interconnection Facilities' operation causes disruption or deterioration of service, power quality issues or other interference to other customers served from the System, or if the Facilities' or Interconnection Facilities' operation causes damage or deterioration to the System. DG Owner/Operator will notify the Cooperative of any emergency or hazardous condition or occurrence with the DG Owner/Operator's Facilities or Interconnection Facilities, which could affect safe operation of the System. The DG Owner/Operator shall indemnify the Cooperative and its members as outlined in Section 6. for improper or faulty Facility operation.

4. **Operator in Charge** – The DG Owner/Operator shall identify an individual (by name or title) who will serve as "Operator in Charge" of the Facilities and the DG Owner/Operator portion of the Interconnection Facilities. This individual must be familiar with this Agreement as well as provisions of the "Rules" and any other agreements or regulations that may apply.
5. **Energy Sales to Cooperative** – The DG Owner/Operator may sell excess energy under this Agreement to the Cooperative. All sales to the Cooperative will be in accordance with Net Energy Metering Rider NEM-15 and subsequent revisions thereof as may be adopted by the Cooperative.

6. **Limitation of Liability and Indemnification** - Notwithstanding any other provision in this Agreement, with respect to the Cooperative's provision of electric service to DG Owner/Operator and the services provided by the Cooperative pursuant to this Agreement, the Cooperative's liability to DG Owner/Operator shall be limited as set forth in the "Rules", which are incorporated herein by reference.

For the purposes of this Agreement, a Force Majeure event is any event: (a) that is beyond the reasonable control of the affected Party; and (b) that the affected Party is unable to prevent or provide protection against by exercising reasonable diligence, including the following events or circumstances, but only to the extent that they satisfy the preceding requirements: acts of war, public disorder, legal cease and desist orders, rebellion or insurrection; floods, hurricanes, earthquakes, lightning, storms or other natural calamities; explosions or fires; strikes, work stoppages or labor disputes; embargoes; and sabotage. If a Force Majeure event prevents a Party from fulfilling any obligations under this Agreement, such Party will promptly notify the other Party in writing and will keep the other Party informed on a continuing basis as to the scope and duration of the Force Majeure event. The affected Party will specify the circumstances of the Force Majeure event, its expected duration and the steps that the affected Party is taking to mitigate the effect of the event on its performance. The affected Party will be entitled to suspend or modify its performance of obligations under this Agreement but will use reasonable efforts to resume its performance as soon as possible.

The DG Owner/Operator shall assume all liability for and shall indemnify the Cooperative and its members, trustees, directors, officers, managers, employees, agents, representatives, affiliates, successors and assigns for and shall hold them harmless from and against any claims, losses, costs, and expenses of any kind or character to the extent that they result from DG Owner/Operator's design, construction, installation, operation or maintenance of the Facilities or Interconnection Facilities. Such indemnity shall include, but is not limited to, financial responsibility for (a) monetary losses; (b) reasonable costs and expenses of defending an action or claim; (c) damages related to death or injury; (d) damages to property; and (e) damages for the disruption of business.

The Cooperative and DG Owner/Operator shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines, wires, switches, or other equipment or property on their respective sides of the Point of Interconnection. The Cooperative does not assume any duty of inspecting the DG Owner/Operator's lines, wires, switches, or other equipment or property. DG Owner/Operator assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith, at or beyond the Point of Interconnection.

7. **Testing and Testing Records** – The DG Owner/Operator shall provide to the Cooperative all records of testing. Testing of protection systems for intermediate and large units shall be limited to records of compliance with standard acceptance procedures and by industry standards and practices. These records shall include testing at the start of commercial operation and periodic testing thereafter. Factory testing of pre-packaged Interconnection Facilities and the protective systems of small units shall be acceptable. In the case of a factory test, the DG Owner/Operator shall provide a written description and certification by the factory of the test, the test results, and the qualification of any independent testing laboratory. In addition, the settings of the equipment being installed are to be approved by the Cooperative prior to DG operation.
8. **Right of Access, Equipment Installation, Removal & Inspection** – The Cooperative may send employees, agents or contractors to the premises of the DG Owner/Operator at any time whether before, during or after the time the Facilities first produce energy to inspect the Facilities and Interconnection Facilities, and observe the Facility's installation, commissioning (including any testing), startup, operation, and maintenance.

Cooperative shall have access to DG Owner/Operator's premises at any time and for any reasonable purpose in connection with the execution of this Agreement, the "Rules", or to provide service to its customers.

9. **Metering** – The Cooperative shall purchase, own, install, maintain and read such metering equipment as may be necessary to record the electrical output of the Facilities in accordance with Section 5. All costs associated therewith shall be borne by the DG Owner/Operator. Meter and current transformers used by the Cooperative to measure energy sales by the DG Owner/Operator to the Cooperative shall be separate and independent of any metering used for energy sales by the Cooperative to the DG Owner/Operator for backup and standby power.
10. **Insurance** – DG Owner/Operator agrees to maintain throughout the period of this Agreement adequate liability insurance and, if applicable, worker's compensation and employer's liability, as required by law, covering all the DG Owner/Operator's employees or representatives who perform any obligations of the DG Owner/Operator set forth herein. The Cooperative shall be named as an Additional Insured on all the DG Owner/Operator's policies of insurance.
11. **Effective Term and Termination Rights** – This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. This Agreement may be terminated as follows: (a) DG Owner/Operator may terminate this Agreement at any time by giving the Cooperative at least sixty (60) days' written notice; (b) Cooperative may terminate upon failure by the DG Owner/Operator to generate energy from the Facilities and deliver such energy to the Cooperative within twelve (12)

months after completion of the interconnection; (c) either Party may terminate by giving the other Party at least thirty (30) days prior written notice that the other 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 the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default and said default is not cured within the specified thirty (30) days; (d) Cooperative may terminate by giving DG Owner/Operator at least sixty (60) days notice in the event that there is a material change in an applicable law, or any requirement of the Cooperative's wholesale electric suppliers or of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System.

12. **Disconnection of Facilities** – DG Owner/Operator shall disconnect Facilities from the System upon the effective date of any termination resulting from and required by actions under Section 11.

Cooperative shall have the right to disconnect or cause the DG Owner/Operator to disconnect the Facilities from the System and suspend service in cases where continuance of service to DG Owner/Operator will endanger persons or property. During a forced outage of the System serving DG Owner/Operator, Cooperative shall have the right to suspend service, and disconnect or cause the DG Owner/Operator to disconnect the Facilities from the System to effect repairs on the System. When possible, the Cooperative shall take reasonable efforts to provide the DG Owner/Operator with prior notice of a forced outage.

13. **Compliance with Laws, Rules and Tariffs** – Both the Cooperative and the DG Owner/Operator shall be responsible for complying with all applicable Federal, State and Local laws, environmental regulations and the "Rules". The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the "Rules". The Cooperative shall have the right to publish changes in any of the "Rules" at any time and the DG Owner/Operator shall retain the right to accept the changes or terminate the Agreement based on non-acceptance of the changes. The Cooperative may change the "Rules" without notification if the said changes do not impact the Agreement in force.
14. **Applicable Tax and Carbon Credits** – The Parties agree that any and all tax and carbon credits that may apply under applicable Federal, State, and local laws for operation and ownership of generation facilities of the type anticipated under this agreement shall be retained by the DG Owner/Operator unless the credits are specifically applicable to utilities and/or utility operations only.

15. **Severability** – If any portion or provision 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 be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.
17. **Entirety of Agreement and Prior Agreements Superseded** – This Agreement, including the “Rules” and all attached Exhibits, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein or in the DG Owner/Operator application, or other written information provided by the DG Owner/Operator in compliance with the “Rules”. It is expressly acknowledged that the Parties may have other agreements between the Parties covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.
18. **Assignment** – At any time during the term of this Agreement, the DG Owner/Operator may assign this Agreement to a corporation, an entity with limited liability or an individual (the “Assignee”) to whom the DG Owner/Operator transfers ownership of the Facilities; provided that the DG Owner/Operator obtains the written consent of the Cooperative in advance of the assignment. The Cooperative’s consent will be based on a determination that the Assignee is financially and technically capable to assume ownership and/or operation of the Facilities. The company or individual to which this Agreement is assigned will be responsible for the proper operation and maintenance of the Facilities, and must agree in writing to be subject to all provisions of this Agreement.
19. **Notices** – Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

If to Cooperative:

Amicalola Electric Membership Corporation
544 Hwy 515 S, Jasper Ga.30143

If to DG Owner/Operator:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other Party.

20. **Invoicing and Payment** – Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable “Rules”.
21. **Limitations (No Third-Party Beneficiaries, Waiver, etc.)** – 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 herein assumed are solely for the use and benefit of the Parties, except as set out in Section 6. This Agreement may not be assigned by the DG Owner/Operator without the prior written consent of the Cooperative as specified in Section 18. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.
22. **Headings** – The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.
23. **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.

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

AMICALOLA ELECTRIC MEMBERSHIP CORPORATION

BY: _____	BY: _____
TITLE: _____	TITLE: _____
ATTEST: _____	ATTEST: _____
DATE: _____	DATE: _____
NOTARY: _____	NOTARY: _____