

Northern Lights Inc
**SMALL GENERATION INTERCONNECTION
AGREEMENT**

This Agreement dated and effective this ____ day of _____, _____, by and between Northern Lights, Inc. (Cooperative) and _____ (“Customer-generator”).

Whereas Customer-generator wishes to sell and the Cooperative agrees to purchase energy produced by the approved facility on the following terms and conditions:

Now, therefore, the parties agree:

1. **Facility:** Customer-generator’s facility shall mean the generating facility described in Exhibit A. This facility shall have a maximum output capacity of twenty five (25) kilowatts. This facility shall be located on the Customer-generator’s premises and will interconnect and operate in parallel with the Cooperative’s electric power supply system. The operation of the facility is intended primarily to offset part or all of Customer-generator’s own electrical requirements presently supplied by the Cooperative. Customer-generator shall be responsible for the design, installation and operation of the facility, and shall obtain and maintain all required permits and approvals. This agreement is applicable only to the facility described in Exhibit A. Any modifications to the facility including installation of replacement facility or parts can only be made following the written approval of the Cooperative.
2. **Term:** This agreement shall commence on the date established above and terminate with any change in ownership of the facility or by written agreement, signed by both parties.
3. **Net Energy:** Net energy is the difference between electrical energy consumed by the customer-generator from the Cooperative’s electrical supply system and the electrical energy generated by the Customer-generator and fed back into the Cooperative’s electrical supply system.
4. **Measurement of Net Energy:** Bi-directional metering equipment shall be installed by the cooperative at the owner’s expense to measure the flow of electrical energy in each direction. This equipment shall be used to provide information necessary to accurately bill or credit the Customer-generator or to collect electric generating system performance information for research purposes.
5. **Price and Payment Methodology:** All electric service provided to the customer-generator by the Cooperative shall be billed pursuant to the Cooperative’s appropriate Rate Schedule. Credits for the net energy flowing into the Cooperative’s electrical supply system shall be apportioned according to the net metering rate as specified in the Administrative Bulletin to Policy # 106.

All energy delivered to NLI’s system shall be metered for periods that correspond to NLI’s monthly billing periods. After each NLI billing period, the amount of net energy delivered to NLI’s system measured in kilowatt-hours shall be multiplied times NLI’s avoided cost, and that amount shall be credited on the member’s next billing from NLI. Credit balances shall be paid to the customer-generator by NLI once per year. The customer-generator will be responsible for paying NLI’s billings each month.

6. **Interconnection:** Customer-generator shall provide the electrical interconnection on its side of the meter between its facility and the Cooperative’s system. At Customer-generator’s expense, the Cooperative shall make reasonable modifications to the Cooperative’s system necessary to accommodate the facility. The cost for such modifications shall be the Cooperative’s actual cost, due and payable in advance of installation. The net metering facility shall include, at Customer-generator’s expense, all equipment necessary to meet applicable safety, power quality, and

interconnection requirements established by the Cooperative's policies, the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronic Engineers, and Underwriters Laboratories. Customer-generator shall not commence parallel operation of the facility until the Cooperative has issued written approval for its operation.

- 7. Operational Standards:** Customer-generator shall furnish, install, operate and maintain in good order and repair, all without cost to the Cooperative, all equipment required for the safe operation of the facility operating in parallel with the Cooperative's electrical supply system. This shall include, but not be limited to, equipment necessary to (1) establish and maintain automatic synchronism with the Cooperative's electric supply system and (2) automatically disconnect the facility from the Cooperative's electrical supply system in the event of overload or outage on the Cooperative's electrical supply system. The facility shall be designed to operate within allowable operating standards for the cooperative's electrical supply system. The facility shall not cause any adverse effects upon the quality or reliability of service provided to the cooperative's other customers. The customer-generator shall operate its facility in accordance with applicable rules and regulations.
- 8. Disconnection:** Customer-generator shall furnish and install, on its side of the meter, a disconnecting device capable of fully disconnecting and isolating the facility from the Cooperative's electric supply system. The disconnecting device shall be located adjacent to the Cooperative's bi-directional metering equipment and shall be of the visible break type in a metal enclosure that can be secured by a Cooperative-owned padlock. The disconnecting device shall be accessible to the Cooperative's personnel at all times and shall conform to National Electric Code standards. The Cooperative shall have the right to disconnect, with or without notice, the facility from the Cooperative's electric supply system when necessary, in the Cooperative's sole judgment, to maintain safe and reliable electrical operating conditions. Also, the Cooperative shall have the right to disconnect, with or without notice, the facility if, in the Cooperative's sole judgment, the operation of the facility at any time adversely affects the operation of the Cooperative's electrical system or the quality and reliability of the Cooperative's electrical service to other customers. The facility shall remain disconnected until such time as the Cooperative is satisfied, in its sole judgment, the condition(s) justifying the disconnection have ended or have been corrected.
- 9. Installation and Maintenance:** Except for the bi-directional metering equipment owned and maintained by the Cooperative, all equipment on Customer-generator's side of the delivery point, including the required disconnecting switch, shall be provided and maintained in satisfactory operating condition by Customer-generator, and shall remain the property and responsibility of the Customer-generator. The Cooperative shall bear no liability for Customer-generator's equipment or for the consequences of its operation.
- 10. Indemnity and Liability:** Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorney's fees) for injury or death to persons, including employees of either Party, and damage to property, including property of either Party, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection, or ownership of the indemnitor's facility, or (b) the making of replacement, additions, improvement, or reconstruction of the indemnitor's facility, provided, however, Customer-generator's duty to indemnify the Cooperative hereunder shall not extend to loss, liability, damage, claim, cost, charge, demand, or expense resulting from interruptions in electrical service to the Cooperative's customers other than Customer-generator. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand, or expense resulting from its sole negligence or willful misconduct.

- 11. Fees:** Cooperative reserves the right to charge customer-generator a monthly fee of \$10 to cover its share of the administrative cost of the net metering program. The fee shall be billed and paid for at the time payment for electrical service is due.
- 12. Pre-Operation Inspection:** Prior to interconnection and operation, Customer-generator shall cause the facility and associated interconnection and disconnection equipment to be inspected and approved by the state electrical inspector and by any other governmental authority having jurisdiction, and proof of such inspection and approval shall be furnished to the Cooperative.
- 13. Access:** Authorized Cooperative employees shall have the right to enter the Customer-generator's property at any time, with or without notice, for the purpose of observing and testing the interconnection, disconnecting device, and bi-directional metering equipment.
- 14. Litigation Expense:** If a suit or action is instituted in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover, in addition to costs, such sums as the court may adjudge reasonable as attorney's fees, whether in initial litigation or upon appeal.
- 15. Severability:** Should any provision of the Agreement be or become void, illegal, or unenforceable, the validity or enforceability of the other provisions of the Agreement shall not be affected and shall continue in force. The Parties will, however, use their best endeavors to agree on the replacement of the void, illegal, or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provisions and the Agreement as a whole.
- 16. Governing Law:** The provisions of this Agreement shall be governed by and interpreted in accordance with the laws of the state of Idaho.

In witness whereof, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the latter of the two dates set forth below.

CUSTOMER-GENERATOR

NORTHERN LIGHTS, INC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
NORTHERN LIGHTS, INC. SMALL GENERATION INTERCONNECTION AGREEMENT

Section 1. Customer-generator Information

Name _____

Mailing Address _____

Street Address
(If different than above) _____

Daytime Phone _____ Evening Phone _____

Utility Customer Account Number (from utility bill): _____

Section 2. Facility Information

System Type _____

Generator Size (kW AC) _____

Inverter Manufacturer _____ Inverter Model _____

Inverter Serial Number _____ Inverter Power Rating _____

Inverter Location _____

Section 3. Installation Information

Licensed Electrician _____ Contractor # _____

Mailing Address _____

Daytime Phone _____ Installation Date _____

Section 4. Disposition of Excess Generation Credit

(Check one)

___ to the customer-generator; ___ to the Cooperative's low-income energy assistance program

Section 5. Certification(s)

1. (If an inverter is used) The facility's inverter meets the requirements of IEEE 929, Recommended Practice for Utility Interface of Photovoltaic (PV) Systems and Underwriters Laboratories (UL) Subject 1741, Standard for Static Inverters and Charge Controllers for Use in Photovoltaic Power Systems; and the National Electric Code (NEC), Article 705.

Signed (Equipment Vendor) _____ Date _____

Name (Printed) _____ Company _____

2. The system has been installed to my satisfaction and I have been given system warranty information and an operations manual. I have been instructed regarding the proper operation of the facility and associated equipment. Also, the installation has received approval and certification from the state electrical inspector.