

**INTERCONNECTION AND SERVICE AGREEMENT
FOR CLOSED TRANSITION OPERATION OF DISTRIBUTED GENERATION (DG)**

between

**NORRIS PUBLIC POWER DISTRICT
and**

This Interconnection and Service Agreement for Closed Transition Operation of Distributed Generation (DG) ("Agreement") is entered into as of _____, 20__, by and between NORRIS Public Power District, a public corporation and political subdivision of the State of Nebraska, hereinafter referred to as "NORRIS PPD," and _____, hereinafter referred to as "DG Operator", and each at times singularly called 'Party' or collectively called 'Parties'.

WITNESSETH

WHEREAS, NORRIS PPD owns and operates an electric subtransmission 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 DG Operator is installing certain electric generating facilities, which output is being purchased by NORRIS PPD and said purchase is addressed in NORRIS PPD Service Regulation 800 - Customer-Owned Generation, and

WHEREAS, the Parties to this Agreement will be electrically interconnected to provide a path for the delivery of power and energy from The DG Operator's generating facilities to the delivery facilities of NORRIS PPD.

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 "DG Operator Generation" shall mean the output from the DG Facility to be installed and owned by the DG Operator and which output is being purchased by NORRIS PPD. Said generation output is nominally rated at _____ Kilowatts (kW).
- 1.2 The term "DG Facility" shall mean all systems, equipment, facilities and other items comprising or necessary to operate and maintain the DG Operator Generation, which includes obtaining and delivery of fuel, and the generator systems.
- 1.3 The term "Metering Equipment" shall mean all equipment used to meter the amount of electrical power and energy delivered from NORRIS PPD to the DG Operator, and the amount of electrical power and energy delivered from the DG Facility to the NORRIS PPD system.
- 1.4 The term "Point of Measurement" shall mean the point(s) where the amount of electrical power and energy delivered from NORRIS PPD to the DG Operator, and the amount of electrical power and energy delivered from the DG Facility to the NORRIS PPD system are metered.
- 1.5 The term "Point of Interconnection" shall mean that point where NORRIS PPD owned facilities interconnect with DG Operator owned Interconnection Facilities.
- 1.6 The term "Interconnection Facilities" shall mean the DG Operator-owned facilities necessary to facilitate the physical interconnection between NORRIS PPD and the DG Operator.

**ARTICLE II
TERM OF AGREEMENT**

- 2.1 NORRIS PPD shall have the right to require the DG Operator to immediately disconnect, or NORRIS PPD 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 NORRIS PPD; b) in NORRIS PPD'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 NORRIS PPD customers; d) the facility may pose a risk to NORRIS PPD employees, customers or the general public. Should this occur, it shall give NORRIS PPD the right to terminate its agreement with the DG Operator and to recover from the DG Operator the cost and expenses incurred by NORRIS PPD.

**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**

- 4.1 The DG Operator shall own and be responsible for the cost, design, equipment, installation, maintenance, and renewals and replacements of the DG Facility and all facilities from the DG Facility to the Point of Interconnection. 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.
- 4.2 NORRIS PPD shall make, or cause to make, the physical wiring connection at the Point of Interconnection.
- 4.3 The DG Operator shall own and be responsible for the design, equipment, installation, maintenance, renewals and replacements of all facilities required to deliver the DG Operator Generation to the Point of Interconnection.
- 4.4 The DG Operator agrees to allow NORRIS PPD 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, NORRIS PPD intends to provide advance notice of all site visits and will coordinate such visits with the DG Operator or the DG Operator's representative. Emergency conditions may require NORRIS PPD access the DG facility without advance notice.
- 4.5 Upon termination of this Agreement, for any reason, either Party shall have the right to reclaim Interconnection Facilities that it owns.
- 4.6 NORRIS PPD shall have sole authority to operate and maintain switches and other equipment located on NORRIS PPD owned Interconnection Facilities.
- 4.7 The DG Operator agrees to limit generation, to the extent requested by NORRIS PPD in order to facilitate operation and maintenance of Interconnection Facilities or NORRIS PPD distribution facilities.

- 4.8 The DG Operator Generation shall be capable of synchronizing with an energized NORRIS PPD distribution system. The synchronous switching which interconnects the generation equipment to the NORRIS PPD 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 NORRIS PPD system, The DG Operator and NORRIS PPD will jointly check phasing and rotation between the generator and the utility system.
- 4.9 NORRIS PPD requires periodic testing and verification of all DG-utility interconnections. The test(s) shall verify the interconnection functions as originally approved by NORRIS PPD. The interconnection equipment shall be tested for conformity with the initial, 'as installed' test requirements. Except where exempted by NORRIS PPD, the testing shall be certified by a Professional Electrical Engineer registered in the state where the project is being constructed. The engineer shall be selected by the DG Operator and all engineering services shall be performed at the DG Operator's expense. The DG Operator shall also reimburse NORRIS PPD for the direct, actual expenses incurred by NORRIS PPD as a result of testing. An example of such expenses would be reimbursement for a NORRIS PPD crew or technician to 'stand by' during testing to be available in the event problems arise.
- 4.10 If the DG Operator, 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 DG Operator to NORRIS PPD for such change shall be made at least six months prior to the date of the proposed change or relocation. NORRIS PPD will provide to the DG Operator, 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 DG Operator decide to proceed with such change or relocation and prior to NORRIS PPD 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 DG Operator, including but not limited to, design, engineering, material, and installation shall be borne by the DG Operator. In the event NORRIS PPD 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 NORRIS PPD for any reason, then the costs of the change or relocation of the Interconnected Facilities shall be borne by NORRIS PPD.

ARTICLE V DELIVERY POINT AND METERING

- 5.1 The DG Operator Generation shall be delivered by the DG Operator to NORRIS PPD at the Point of Interconnection and NORRIS PPD shall take possession of such output, as measured by metering equipment at that point.
- 5.2 NORRIS PPD shall own and be responsible for the cost, equipment, installation and maintenance to provide metering equipment at the Point of Interconnection.
- 5.3 The NORRIS PPD provided metering will meter the amount of electrical power and energy delivered from NORRIS PPD to the DG Operator, and the amount of electrical power and energy delivered from the DG Facility to the NORRIS PPD system. The total amount of any power delivered to the DG Operator will be charged at the applicable NORRIS PPD retail rate schedule. The DG Operator shall be responsible to pay NORRIS PPD for those assessed costs.
- 5.4 By January 31 of each year, the DG Operator must submit to NORRIS PPD a meter reading indicating the total amount of DG Operator Generation produced during the previous calendar year.
- 5.5 The installation of a DG facility does not exclude the DG Operator from the minimum charges associated with the account and calculated according to the applicable NORRIS PPD rate schedule or contracted agreement.

**ARTICLE VI
DELIVERY SERVICE**

- 6.1 NORRIS PPD takes delivery of the DG Operator Generation at the Point of Interconnection.
- 6.2 Interconnection of the DG Facility with NORRIS PPD's distribution system does not grant to the DG Operator 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 DG Operator hereby agrees to indemnify and hold harmless NORRIS PPD, 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 DG Operator, 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 DG Operatorship, or the facility is modified, any existing agreements between the previous DG Operator and NORRIS PPD are considered null and void. The new DG Operator, or the DG Operator of a modified DG facility, does not have NORRIS PPD permission for closed transition operation, and such circumstances will require the execution of a new Interconnection and Service Agreement.

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.

NORRIS PUBLIC POWER DISTRICT

Signed: _____

Printed Name: _____

Title: _____

Date: _____

DISTRIBUTED GENERATION OPERATOR

Signed: _____

Printed Name: _____

Title: _____

Date: _____