



AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

DATE OF AGREEMENT: _____

This Agreement for Interconnection and Parallel Operation of Distributed Generation (hereinafter “Agreement”) is made and entered into the date indicated above between **EASTERN ILLINI ELECTRIC COOPERATIVE, INC.**, (hereinafter referred to as “Cooperative”), an Illinois not-for-profit corporation, and _____, (hereinafter referred to as “Member/Owner”), a Member/Owner of the Cooperative currently receiving electric service from the Cooperative at map location _____, each of which may hereinafter be referred to individually as “Party” or both referred to collectively as the “Parties”.

In consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

1. Scope of Agreement – This Agreement sets forth the terms under which the Parties agree that one or more generating facilities (herein “distributed generation” and more particularly described in the attached Exhibit A) owned and/or operated by Member/Owner can be interconnected to the Member/Owner’s low-voltage premises wiring associated with a specified service retail metering point (collectively hereinafter sometimes referred to as the “Facilities” to the Cooperative’s electric power distribution system (hereinafter sometimes referred to as the “System”). This Agreement shall not entitle the Member/Owner to electric service beyond the terms of a separate membership agreement for service and the Cooperative’s bylaws, regulations, policies, rules, and rates (hereinafter collectively “Requirements”).

2. Establishment of Point of Interconnection –The Parties shall interconnect the Facilities at the location(s) specified herein, “Point of Interconnection” in accordance with the terms of the Cooperative’s regulation regarding Interconnection and Parallel Operation of Distributed Generation and the Institute of Electrical and Electronic Engineers (IEEE) Standards 1547, 1547.1 and UL Standard 1741.

3. Responsibilities for Installation, Operation and Maintenance of Facilities – Member/Owner shall be responsible for all costs and expenses to install, operate, maintain, repair, and inspect, and shall be fully responsible for the facilities and interconnection Facilities, unless otherwise specified herein. Member/Owner shall conduct operations of its facilities and interconnection Facilities in compliance with all aspects of the Cooperative’s Requirements and in accordance with industry standards and Good Utility Practice. Maintenance of facilities and interconnection Facilities shall be performed in accordance with the applicable manufacturers’

recommended maintenance schedule. Member/Owner shall cause the facilities and interconnection Facilities to be constructed in accordance with Regulation 27.

The Cooperative shall have the right to inspect and require changes prior to energizing such Facilities. Phase, frequency and voltage of the interconnected generation shall be compatible with that provided by the Cooperative.

Member/Owner shall comply with all applicable Federal, State and local 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.

The Cooperative will notify Member/Owner if there is evidence that operation of the facilities or interconnection Facilities causes disturbance, disruption or deterioration of service to others served by the System or if the operation of facilities or interconnection Facilities causes damage to the System. If such condition persists, the Cooperative shall have the sole right and option to disconnect Member/Owner from the System. Member/Owner will notify the Cooperative of any emergency or hazardous condition or occurrence involving the facilities or interconnection Facilities, which may affect safe operation of the System.

4. Operator in Charge – Member/Owner shall provide a phone number and address of a contact person who is knowledgeable about this Agreement, familiar with the installation, maintenance and operation of the interconnection Facilities, and who has the authority to disconnect the facility from the system if required by the Cooperative .

5. No Power Sales to Cooperative - Interconnection of the Facilities with the System does not grant Member/Owner the right to export power, nor does it constitute an agreement by the Cooperative to purchase or wheel power. Purchase of excess facility capacity is governed by the Cooperative's Regulation No. 26 - Net Metering and Cooperative Purchase of Excess Member/Owner Owned Generation Capacity, Regulation No. 26A – Interconnection of and Service to Qualifying Facilities under Public Utility Regulatory Policies Act (PURPA), and Regulation 26B – Net Billing & Cooperative Purchase of Excess Member/Owner Owned Generation Capacity.

6. Limitation of Liability and Indemnification

a. Notwithstanding any other provision in this Agreement, with respect to the Cooperative's provision of electric service to Member/Owner and the services provided by the Cooperative pursuant to this Agreement, Cooperative's liability to Member/Owner shall be limited as set forth in the Cooperative's bylaws, regulations, policies, rules, rates, contracts, and terms and conditions for electric service, which are incorporated herein by reference, and in no event shall the Cooperative be liable for loss of profit, loss of operation time, loss of or reduction in use of any facilities or any portion thereof, increased expense of construction, operation or maintenance, or for any special, indirect, incidental, consequential damages resulting from the construction, operation or maintenance of the Member/Owner's facility, or any other form of loss or damage of any kind or character whatsoever.

b. For the purposes of this Agreement, a Force Majeure event is any event beyond the reasonable control of the affected Party such that the affected Party is unable to prevent or protect against by exercising reasonable diligence. This includes, but is not limited to, public disorder, 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 keep the other Party informed on a continuing basis regarding 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 may suspend or modify the performance of its obligations under this Agreement during an event of Force Majeure, but will use reasonable efforts to resume its performance as soon as possible.

c. Member/Owner shall be responsible for the safe installation, maintenance, repair and condition of lines, wires, switches, or other equipment or property on its side of the point of interconnection. The Cooperative does not assume any duty of inspecting Member/Owner's lines, wires, switches, or other equipment or property and will not be responsible therefor. Member/Owner assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of interconnection.

d. The Cooperative shall not be liable to the Member/Owner or any third party or other person for any damages, costs, claims, attorney's fees of any kind or character whatsoever, arising out of actions under the interconnection process, interconnection study(ies), or this Agreement, including, but not limited to, any act or omission that results in an interruption, deficiency, or imperfection of interconnection service, except as otherwise provided in this Agreement.

7. Testing and Testing Records – Member/Owner shall perform or cause to be performed such tests as the Cooperative may reasonably require and shall provide to the Cooperative all records of testing. Testing of protection systems shall comply with existing industry standards and practices. Such records shall include testing at the start of operation and periodic testing thereafter. Factory testing of pre-packaged interconnection facilities and the protective systems of small units shall be acceptable in the absence of reasonable grounds for additional testing. In the case of a factory test, Member/Owner 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, Member/Owner shall obtain approval by the Cooperative of the settings of the equipment being installed prior to commencing operation.

8. Right of Access, Equipment Installation, Removal & Inspection – The Cooperative shall have free access to the Facilities at all times in order to monitor operation of the equipment, Cooperative-supplied service equipment connected to such system, and to disconnect for good cause without prior notice to the Member/Owner.

The Cooperative shall also have access to Member/Owner's premises and operational records for any reasonable purpose in connection with the interconnection described in this Agreement, the Requirements, or to provide service to its other member/owners.

9. Disconnection of Facilities –

a. Member/Owner retains the option to disconnect its facilities from the System; provided that, Member/Owner notifies the Cooperative of such intent to disconnect by giving the Cooperative at least thirty (30) calendar days' prior written notice. Such disconnection shall not be a termination of this Agreement unless Member exercises rights under Section 13.

- b. Member/Owner shall disconnect Facilities from the System upon the effective date of any termination resulting from and required by actions under Section 13.
- c. The Cooperative may disconnect the Facilities from its System whenever, in the sole judgment of the Cooperative, such action is required by an emergency, for reasons of safety, or due to interference with service to other member/owners.
- d. The Cooperative may disconnect the Facilities from its System after providing at least fourteen (14) calendar days' written notice if Member/Owner fails to provide Cooperative with required insurance documents in accordance with Section 11.
- e. The Cooperative may disconnect the Facilities from its System if Member/Owner fails to notify Cooperative and obtain approval for any change to the Facilities, including but not limited to, nameplate capacity of the Facility or inverter specifications.
- f. The Cooperative, in its sole judgment, may choose to place a remote disconnect feature on the Member/Owner's meter for purposes of disconnection. Such device shall be installed at no charge to the Member/Owner
- g. The Cooperative shall notify PPI prior to disconnecting any QF system for any reason other than those required by an emergency, safety, or interference with service to other members/owners.

10. Metering – The Cooperative shall be reimbursed for all costs of interconnection, including all charges and metering costs, incurred by the Cooperative in connecting and as a result of connection and disconnection of the Facilities to the distribution system. Metering shall meet accuracy standards required for equivalent electrical services and can be accomplished with standard meters or any devices that meet data collection and accuracy requirements.

11. Insurance – Throughout the term of this agreement, the Member/Owner shall carry a liability insurance policy issued by a licensed insurance carrier with an A. M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of ownership and/or operation of the distributed generation Facility under this agreement and such policy will be primary and non-contributory as to Cooperative.

The limits of such policy shall be at least \$1,000,000 per occurrence for those Member/Owners with generation facilities. The Member/Owner shall provide a certificate of insurance containing a minimum 30 calendar days' notice of cancellation to the Cooperative prior to connection of the Member/Owner's facility to the Cooperative's system. Member/Owner shall provide the Cooperative with a certificate of insurance which identifies the Cooperative as a "Named Insured" or "Additional Insured", with applicable endorsements or riders documenting such coverage as Cooperative may require.

12. Indemnification - The Member/Owner shall indemnify the Cooperative, its directors, officers, representatives, agents, and employees against all loss, damage, expense and liability to any persons, including Member/Owners, for injury to or death of persons or damage to property, including without limitation, damages of any kind or character whatsoever, interest, attorneys' fees, court costs and expenses, whether in whole or in part proximately caused by the construction, ownership, interconnection, operation, or maintenance of, or by failure of, any of such Member/Owners' works, Facilities or system used in connection with the operation of the

generating Facility. The Member/Owner will, upon the Cooperative's request, accept tender of and defend any suit asserting a claim covered by this agreement to indemnify.

13. 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. Member/Owner may terminate this Agreement at any time for any or no reason by providing the Cooperative at least sixty (60) day's written notice;
- b. Cooperative may terminate upon failure by Member/Owner to generate energy from the Facilities within six (6) months after completion of the interconnection;
- c. Either Party may terminate by giving the other Party at least thirty (30) day's written notice that the other Party is in default of any of the terms and conditions of the Agreement or the regulations or any rate schedule, rule, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default;
- d. Cooperative may terminate by giving Member/Owner at least sixty (60) days' notice in the event that there is a material change in an applicable law, or any change in regulation, policy, or procedure pertaining to distributed generation by the Cooperative's wholesale electric supplier or requirement of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System;
- e. Cooperative may terminate this Agreement upon three (3) business days' notice in the event Member/Owner does any or all of the following:
 - i. ceases to receive electric service from Cooperative or is in default of terms or conditions for electric service;
 - ii. makes a general assignment or arrangement for the benefit of creditors;
 - iii. is unable (or admits in writing its inability) generally to pay its debts as they become due;
 - iv. is dissolved or has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, acquisition or merger);
 - v. seeks or becomes subject to a bankruptcy the appointment of an administrator, assignee, conservator, receiver, trustee or similar official for substantially all of its assets;
 - vi. has a secured party take possession of all or substantially all of its assets or has all, or has substantially all of its assets become subject to an attachment, execution, levy, sequestration or other legal process which is not dismissed discharged, stayed or restrained within thirty (30) days;
 - vii. causes or is subject to any event that has an effect analogous to any of the events enumerated in clauses (i) through (vi); or
 - viii. takes any action in furtherance of, or indicates its consent to, approval of, or acquiescence in any of the foregoing acts or events.
- f. Upon termination, the Facilities shall be permanently disconnected from the Cooperative's System at Member/Owner's expense.

14. Compliance with Laws, Rules and Regulations– Member/Owner shall be responsible for complying with all federal, state and local laws. In the event Member/Owner’s facilities, interconnection or disposition of electricity generated by the facilities are, or become, subject to Federal, State or local regulation, Member/Owner is, and shall be, responsible for regulatory compliance. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the Cooperative’s bylaws, regulations, policies, and rules governing interconnection of distributed generation. The Cooperative reserves the right to change the rules and regulations at any time.

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. The following sections shall survive expiration and any termination of this Agreement: Sections 3, 5 - 10, 14, and 22.

16. Amendment – This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until set forth in writing and executed by the Parties.

17. Entirety of Agreement – This Agreement, including the Cooperative’s bylaws, regulations, policies, and rules (current and as further amended), and the requirements contained in the attached Exhibits and Facilities Schedules, 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 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 unless it is set forth, referred to or provided for herein, in Member/Owner’s application, or other written information provided by the Cooperative to the Member/Owner in compliance with these requirements.

18. Assignment – This Agreement may be assigned to a Party receiving electric service from the Cooperative at the site of the Facilities only upon the express written consent of the Cooperative. The assignee 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. Cooperative may assign the Agreement to another entity without the written approval of Member/Owner. Required consents shall not be withheld unreasonably.

19. Notices – Notices given under this Agreement shall be deemed to have been duly delivered once received from United States Postal Service certified mail, return receipt requested, postage prepaid, to:

Cooperative:
Attn: President/CEO
Eastern Illini Electric Cooperative
PO Box 96
Paxton, IL 60957

Member/Owner:

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

20. Invoicing and Payment – Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable Cooperative regulations and policies.

21. 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 herein assumed are solely for the use and benefit of the Parties.

22. Waiver - The failure of either Party 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 of the provisions in this Agreement.

23. Governing Law and Jurisdiction - It is agreed that this Agreement shall be construed and governed in accordance with the laws of the State of Illinois and the Circuit Court of Ford County, Illinois shall be the proper venue on all matters relating to the enforcement of this Agreement.

24. Dispute Resolution - Any dispute or claim arising under or with respect to this Agreement will be resolved by arbitration in Paxton or Champaign, Illinois in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA) before a panel of three (3) arbitrators, one appointed by each Party and the third appointed by AAA. The decision or award of a majority of the arbitrators shall be final and binding upon the Parties. Any arbitral award may be entered as a judgment or order in a court of competent jurisdiction referred to in Section 24. The arbitration panel shall take into full account and rule consistently with the terms of this Agreement and the bylaws, regulations, policies, rules and rates of the Cooperative.

Notwithstanding the provisions for arbitration, either Party will be entitled, without posting bond or other security, to injunctive or other equitable relief in the courts as provided in this Agreement, or as a court of competent jurisdiction referred to in Section 24 may otherwise determine.

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

MEMBER/OWNER(s)

EASTERN ILLINI ELECTRIC
COOPERATIVE, INC

Name: _____

By: _____

Signed: _____

Title: _____

Name: _____

Signed: _____

Witness: _____

EXHIBIT A

DESCRIPTION OF FACILITY SCHEDULE AND POINT OF INTERCONNECTION

Member/Owner shall be responsible for all costs and expenses to operate, maintain, repair, and inspect, and shall be fully responsible for its Facilities, unless otherwise specified on Exhibit A.

- 1. Name: _____
- 2. Facilities location: _____
- 3. Delivery voltage: _____
- 4. Metering: _____
 Voltage: _____
 Location: _____
 Loss adjustment due to metering location: _____
 Other: _____
- 5. Normal operation of interconnection: _____
- 6. One line diagram attached (check one): _____ Yes _____ No
- 7. Facilities to be furnished by Cooperative: _____
- 8. Facilities to be furnished by Member/Owner: _____
- 9. Cost responsibility: _____
- 10. Control area interchange point (check one): _____ Yes _____ No
- 11. Supplemental terms and conditions attached (check one): _____ Yes _____ No
- 12. Cooperative requirements for DG interconnection attached (check one): _____ Yes _____ No

MEMBER/OWNER(s)

DATE

EASTERN ILLINI ELECTRIC COOPERATIVE, INC.

DATE

By: _____

Title: _____