



Distributed Generation Procedures & Guidelines Manual for Members

Effective Date: January 27, 2026

GENERAL

To receive service from the Cooperative, a customer must become a Member of the Cooperative. Throughout this manual, customers will be referred to as "Members." For more information about the cooperative membership application process, including any applicable membership fees or deposits, see the Cooperative to request new member information.

It is the intent of the Cooperative to allow Members to install Distributed Generation ("DG"), provided the Member's DG facility does not adversely affect the Cooperative. The Member must conduct his/her own analysis to determine the economic benefit of DG operation.

A DG facility that is not connected to the Cooperative's system in any way is considered stand-alone, off-grid, or isolated DG ("Isolated DG"). The Member may operate a DG facility in stand-alone or isolated fashion as long as such DG facility does not adversely affect the Cooperative's system. By contrast, a DG facility connected *in any way* to the Cooperative's system is considered "parallel" DG ("Parallel DG"). *For purposes of this Manual, a DG facility is by default considered operating in "parallel" anytime it is connected to the Cooperative's system in any way, even if the Member does not intend to export power.* The applicable provisions of this Manual shall apply to any DG facility, whether Isolated DG or Parallel DG.

To qualify as Isolated DG, a DG facility and its associated equipment must be physically and electrically separated from the Cooperative's system such that site loads can be connected to either the DG source or the Cooperative's system, but never to both simultaneously; configurations that allow grid charging of equipment are prohibited for off-grid (Isolated DG) systems. Members seeking to claim Isolated DG status at a location with an active account or installed utility billing meter, must: (1) submit a written notification to the Cooperative; (2) provide a one-line diagram and equipment specifications; and (3) consent to mandatory physical verification through inspection to confirm that the DG facility, including any associated equipment, has no electrical connection to the Cooperative's system, ensuring no capability to deliver energy through the utility billing meter. If physical separation cannot be verified, the Cooperative may require the Member to install equipment to ensure this mutual exclusivity. Interlocking breaker devices or similar devices that do not satisfy the physical isolation requirement do not meet the requirement for off-grid separation and are prohibited. If the Member fails to comply, the Cooperative may remove its utility billing meter, transformer, or service lines to ensure complete separation.

This Manual is not a complete description or listing of all laws, ordinances, rules and regulations, nor is this Manual intended to be an installation or safety manual. The Member requesting to interconnect a DG facility to the Cooperative's system is responsible for and must follow, in addition to all provisions of this Manual, the Cooperative's *Tariffs for Electric Service*, the Cooperative's *Line Extension Policy*, the *Policies and Procedures* of the Cooperative's power supplier where applicable, the *Policies and Procedures* of the Cooperative's transmission service provider where applicable, the current *IEEE 1547 Standard Guide for Distributed Generation Interconnection* (a copy is on file at the Cooperative.), other applicable IEEE standards, applicable ANSI standards, including ANSI C84.1 Range A and any other applicable governmental and regulatory laws, rules, ordinances or requirements. All legal, technical, financial, etc. requirements in the following sections of this Manual must be met prior to interconnection of the DG facility to the Cooperative's system.

A Member may use a DG facility to serve all load behind a single meter at the same location. However, a DG facility will not be allowed to serve multiple meters, multiple consuming facilities, or multiple Members with a single DG facility or under a single DG application.

All Parallel DG facilities, regardless of the number of DG sources, must operate through a single interconnection point. An AC disconnect switch must be installed for each DG source, enabling individual disconnection of each DG source without interrupting the site's grid power supply to its loads. This can be achieved with one or multiple disconnect switches, depending on the site design.

DG facilities with a rated capacity of 700 kW or less are covered by this Manual. DG facilities larger than 700 kW or rated to produce an amount of electricity greater than the amount of electricity the Member for whom the DG is installed is reasonably expected to consume will be considered by the Cooperative on a non-discriminatory case-by-case basis and, if approved, shall be governed by the provisions of this Manual unless otherwise specified in a separate agreement.

I. DETERMINE THE CATEGORY OF DISTRIBUTED GENERATION FACILITY

1) Connection Level Category

a) Connected to the Cooperative's system

The Member requests and/or the Member's DG facility requires connection to the Cooperative's system. All provisions of this manual cover this category.

b) Connected to the Cooperative's Power Supplier's system

The Member requests and/or the Member's DG facility requires connection to the Cooperative's Power Supplier's system. This manual does NOT cover this category. The Member should contact the Cooperative's Power Supplier directly.

2) Ownership of Facilities

The Member shall own and be solely responsible for all expenses, installation, maintenance and operation of all facilities, including all power-generating facilities at and beyond the point of delivery as defined in the Cooperative's tariffs. Third-party ownership arrangements, including but not limited to Power Purchase Agreements ("PPAs"), leases, or other arrangements under which a solar company, installer, or other third party owns the DG facility and seeks to sell or provide electric power or services directly to the Member, are prohibited under the Public Utility Regulatory Act, Tex. Util. Code §§ 11.001 – 66.017 ("PURA"). The Cooperative's service territory is not open to retail competition under PURA § 41.052(b). Only the Member or the Cooperative may own DG facilities interconnected to the Cooperative's system within the Cooperative's certificated service area, and only the Cooperative may sell electric power and services at retail to Members within its service territory pursuant to PURA §§ 37.051 and 39.105(b).

3) Power Export Category

a) Parallel – no power export

The Member operates a DG facility connected *in any way* to the Cooperative system but with no intention to export power.

- b) Parallel – power generated to be both consumed and exported

The Member operates a DG facility connected *in any way* to the Cooperative's system designed primarily to serve the Member's own load but with the intention to export excess power.

- c) Parallel – Other

The Member operates a DG facility where either the power generated is intended for export only or where the DG facility is rated to produce an amount of electricity greater than the amount of electricity the Member for whom the DG is installed is reasonably expected to consume: This manual does not cover this category. The Cooperative will consider applications for service under this category on a case-by-case basis.

4) Qualifying or Non-Qualifying Category

- a) Qualifying Facilities ("QF") are defined by the Public Utility Regulatory Policies Act of 1978 ("PURPA"). Refer to CFR Title 26, Volume 4, Sec. 292.204.

- b) The distinction between QF and Non-Qualifying Facilities ("NQF") mainly deals with fuel use.

(1) A QF is defined as electric generation with a capacity of not more than 2 MW provided by renewable energy technology, as defined by PURPA, installed on a retail electric customer's (Member's) side of the meter. In general, this means that the DG must have as its primary energy source biomass, waste, renewable resources, geothermal resources or any combination. See PURPA for a full description.

(2) DG facilities not designated as QF under the provisions of PURPA will be considered NQF by the Cooperative.

- c) The Cooperative will provide interconnection for a DG facility to Members, subject to the provisions of this Manual and all other applicable rules and regulations.

- d) The Cooperative will purchase power from a Member with a DG facility that is a QF, subject to the provisions of this policy and other applicable rules and regulations.

- e) The Cooperative may choose to provide interconnection and may choose to purchase power from a Member with a DG facility that is an NQF at the sole discretion of the Cooperative as determined on a case-by-case basis.

5) Size Category

The size category shall be determined by the total alternating current ("AC") output capacity, in kilowatts ("kW"), of the DG site.

- a) Facilities \leq 60 kW

Facilities less than or equal to 60 kW of connected generation will be placed in this size category.

- b) Facilities > 60 kW but ≤ 120 kW

Facilities greater than 60 kW but less than or equal to 120 kW of connected generation will be placed in this size category.

- c) Facilities > 120 kW but ≤ 700 kW

Facilities greater than 120 kW but less than or equal to 700 kW of connected generation will be placed in this size category.

- d) Facilities > 700 kW

Facilities greater than 700 kW of connected generation will be placed in this size category.

II. MEMBER'S INITIAL REQUIREMENTS

1) Notification

- a) The Member must meet all the Cooperative's membership and service requirements in addition to the requirements in the Manual.
- b) The rated capacity of the Member's DG must not exceed the Cooperative's service capacity.
- c) Anyone owning or operating a DG facility in parallel with the Cooperative's system must notify the Cooperative of the existence, location and category of the DG facility, whether the Member intends to export power to the Cooperative or not.

2) Service Request

- a) In order to interconnect a DG facility to the Cooperative system, the Member must first submit to the Cooperative "Cooperative Application for Interconnection and Parallel Operation of Distributed Generation," using the form included in this manual.
- b) A separate form must be submitted for each facility.
- c) By submitting an application for interconnection, the Member consents to the Cooperative's collection, use, and disclosure of Member information, including but not limited to name, account number, address, GPS coordinates, site photos, facility specifications, equipment data, and generation data to third-party software providers, consultants, engineers, and other third parties to process the application, complete the interconnection process, monitor the interconnection, and ensure compliance with this Manual and the regulations specified in Section V.2.

3) Submit a DG Plan

- a) As a part of the application, the Member shall submit a plan prepared by a Professional Engineer registered in the state of Texas, verifying Structural and Electrical approval. The plan shall detail the electrical design, site layout, interconnection requirements, size, and operational plans for the DG facility (the "DG Plan"). Either at the time of submission or at any time during the review process, the Cooperative may require additional information.
- b) The DG Plan shall include documentation, such as one-line diagrams and equipment specifications, demonstrating that the proposed DG facility, including systems with battery storage or complex energy management, supports the Cooperative's metering requirements at a single interconnection point, as specified in Section I, General, and Section VII.6.a. This shall include accommodating either: (1) the default configuration of two meter bases provided by the Member or their installer, compatible with a utility billing meter (with two registers for in-flow and out-flow) and a total DG output meter to measure total generation from all DG sources before on-site consumption, both supplied by the Cooperative; or (2) at the Cooperative's discretion, a single advanced metering device (e.g., an advanced energy management system or gateway) supplied by the Cooperative, with compatible infrastructure provided by the Member or his/her installer, as specified in Section VII.6.a.
- c) In the case of DG facilities (i) to be operated in parallel with the Cooperative's system, (ii) with no intention to export power to the Cooperative and (iii) that are of standard design and intended entirely as emergency or back-up power supply for the facility, the Cooperative may, at its sole discretion, waive any costs.
- d) Prior to review of the application and DG Plan by the Cooperative, the Member shall pay an application fee required. A separate fee must be submitted for each DG facility. The application fee is set out in Section 204.8 of the Cooperative's Tariff for Electric Service and may be amended by the Cooperative from time to time.

III. COOPERATIVE AND POWER SUPPLIER REVIEW PROCESS

1) Plan Review Process

- a) The Cooperative and its Power Supplier, if requested by the Cooperative, will review the application and accompanying documents, plans, specifications, and other information provided and will return an interconnection analysis to the Member within 60 days of receipt of final plans and specifications.
- b) Technical review will be consistent with guidelines established by the most recent *IEEE Standard 1547 Guide for Distributed Generation Interconnection*. The Member may be required by the Cooperative to provide proof that their DG Facilities have been tested and certified by applicable IEEE guidelines.
- c) If corrections or changes to the plans, specifications and other information are to be made by the Member, the 60-day period may be reinitialized when such changes or corrections are provided to the Cooperative. In addition, any changes to the site or project requiring new analysis by the Cooperative may require additional cost and a new DG Plan. The cost will be determined by the Cooperative and shall be paid by the Member.

- d) The Member acknowledges and agrees that any review or acceptance of such plans, specifications and other information by the Cooperative and/or its Power Supplier shall not impose any liability on the Cooperative and/or its Power Supplier and does not guarantee the adequacy of the Member's equipment or DG facility to perform its intended function. The Cooperative and its Power Supplier disclaim any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost- effectiveness, safety, durability, or reliability of such DG installations.
- e) In the event it is necessary at the time of initial interconnection or at some future time for the Cooperative and/or its Power Supplier to modify electric delivery systems in order to serve the Member's DG facilities and/or purchase or continue to purchase the output of the Member's DG facilities, or because the quality of the power provided by the Member's DG adversely affects the Cooperative's and/or its Power Supplier's delivery system, the Member will be responsible to pay the Cooperative and/or its Power Supplier in advance for all costs of modifications required for the interconnection of the Member's DG facilities.

IV. SALES TO AND PURCHASES FROM A DG FACILITY

- 1) For all DG where the Member desires to export power
 - a) All DG facilities shall be billed under Rate Schedule 202.9.1 of the Cooperative's Tariff for Electric Service, as may be amended by the Cooperative from time to time.
 - b) All sales of electric power and energy by the Cooperative to a Member shall be consistent with the applicable retail rate schedule established by the Cooperative as if there were no DG installation at the Member's premises, including any charges in the Cooperative's DG Rider rate schedule.
 - c) The Member shall pay all rates and charges so listed.
 - d) Neither the Cooperative nor its Power Supplier is under any obligation to purchase power from a NQF.
 - e) No wheeling of self-generated energy from one site to another site will be permitted.
 - f) The Customer shall be subject to any market charges related to the Customer's DG facility, including but not limited to Scheduling, Dispatching and Energy imbalance.
 - g) For unauthorized parallel connections (Parallel DG) without a signed Interconnection Agreement, approved plans, or payment of applicable fees, including those claimed as Isolated DG or with multiple interconnection points capable of delivering energy to the Cooperative's system at a location with an active account or utility billing meter, the Member shall be responsible for costs associated with inspection, disconnection, and remediation, as determined by the Cooperative. Unauthorized exports to the Cooperative's system, which may inaccurately credit kilowatt-for-kilowatt-hour against the Member's consumption, undermine the accuracy of the utility billing meter and disrupt the Cooperative's ability to bill for energy consumed. The Cooperative may bill the Member for the cost of energy consumed but not accurately metered due to such

exports, calculated at the applicable retail rate, in addition to other remediation costs, to correct the billing discrepancy and ensure accurate accounting of energy usage.

- h) The member shall assign to Cooperative the energy generated by the installed DG facility and shall assign or transfer to Cooperative any Renewable Energy Credits (“RECs”) or claims to RECs related to the energy production associated with the DG facility.
- 2) For all QF less than 700 kW where the Member desires to export power:
- a) All energy (kWh) supplied by the Cooperative to the Member, during the billing period, shall be billed by the Cooperative in accordance with the rates and charges under the cooperative’s applicable rate schedule for the Member.
 - b) There will be no netting of energy (kWh). All excess energy (kWh) generated by the Member’s qualifying facility during the billing period, not consumed instantaneously by the Member, and delivered back to the Cooperative, within the billing period, shall be credited to the Member at the Cooperative’s Avoided Cost defined as the prior year average wholesale energy and fuel component, provided by the Cooperative’s wholesale power supplier. If credits for excess energy are greater than the member’s monthly bill, the credit will be carried forward to the following billing period. If a credit balance remains in an excess of \$250 at the end of the calendar year, a refund of the entire credit balance will be provided to the member.
 - c) Determination of billing shall be accomplished by interconnection through one meter with two registers capable of measuring in-flow and out-flow at the point of delivery of electric service.
 - d) The Member shall sign an approved Agreement for Interconnection of Distributed Generation with the Cooperative.
 - e) In addition to all other charges, the Cooperative may bill the Member for any additional facilities charges as determined by the Cooperative and appended to the Interconnection Agreement.
 - f) The member shall assign to Cooperative the energy generated by the installed DG facility and shall assign or transfer to Cooperative any RECs or claims to RECs related to the energy production associated with the DG facility.
- 3) The Cooperative shall not be required to make any purchases that will cause the Cooperative to no longer be in compliance with any applicable contracts or all-power contract requirements with its power supplier.

V. MEMBER’S RESPONSIBILITY PRIOR TO OPERATION

1) Line Extension and Modifications to Cooperative Facilities

- a) As a part of the interconnection analysis performed by the Cooperative, the Member will be provided with an estimate of any line extension or other cost to be incurred in providing electric delivery service to the Member’s DG facility.

- b) Notwithstanding the Cooperative's line extension policy, the Member shall pay in advance the full cost of the construction of any transmission, substation, distribution, transformation, protective, or other facilities or equipment which, at the sole discretion of the Cooperative and/or its Power supplier, is required to serve the Member's DG facility.
- c) In the event it is necessary at the time of initial interconnection or at some future time for the Cooperative and/or its Power Supplier to modify electric delivery systems due to the operation of a DG facility, including unauthorized parallel connections (Parallel DG) without a signed Interconnection Agreement, approved plans, or payment of applicable fees, or those claimed as Isolated DG or with multiple interconnection points capable of delivering energy to the Cooperative's system at a location with an active account or utility billing meter, the Member shall be responsible for all costs of modifications required. This includes costs associated with inspection, disconnection, remediation, and billing adjustments for energy consumed but not accurately metered due to unauthorized exports, calculated at the applicable retail rate, as specified in Section IV.1.
- d) In the event the Cooperative at any time in the future changes primary voltage of facilities serving the DG facility such that metering equipment, transformers and/or any other Member-owned equipment must be changed to continue receiving service at the new primary voltage level, the full cost of the change will be borne by the Member.
- e) In all cases, the Member shall pay the full cost of the installation of a visible load break disconnect switch by and to the sole specification of the Cooperative. The switch will be readily accessible to Cooperative personnel and of a type that can be secured in an open position by a Cooperative lock.

2) Applicable Regulations

The DG facility shall be installed and operated subject to and in accordance with the terms and conditions set forth in the Cooperative's rules, regulations, bylaws, rates and tariffs, as amended from time to time, and, if applicable, approved by the Cooperative's board of directors, which are incorporated herein by reference, and in compliance with all applicable federal, state and local laws, regulations, zoning codes, building codes, safety rules, environmental restrictions, ordinances and regulations, including without limitation, the most recent IEEE Standard 1547 Guide for Distributed Generation Interconnection, applicable ANSI standards, including ANSI C84.1 Range A, Electric Reliability Council of Texas (ERCOT) Independent System Operator (ISO) directives and ERCOT guidelines, and in accordance with industry standard prudent engineering practices.

3) Liability Insurance

- a) Facilities 60 kW and smaller

No insurance requirements.

- b) Facilities larger than 60 kW

(1) Prior to interconnection, the Member must provide a certificate of insurance showing satisfactory liability insurance including contractual liability insurance

covering indemnity agreements which insures the Member against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation and maintenance of the Member's generating equipment.

- (2) The amount of such insurance coverage shall be not less than \$1,000,000 per occurrence. The amount of such coverage and the type of insurance coverage required shall be acceptable to the Cooperative and may be amended from time to time by the Cooperative at the sole discretion of the Cooperative.
- (3) The policy shall be endorsed to name the Cooperative as an Additional Insured on a primary and non-contributory basis. The policy shall include a waiver of subrogation in favor of the Cooperative. The policy shall not contain any cross liability or cross-suit exclusion that prevents the Cooperative from asserting claims against the Member.
- (4) The certificate shall provide that the insurance policy will not be changed or canceled during its term without thirty days written notice to the Cooperative. The term of the insurance shall be coincident with the term of the interconnection contract or shall be specified to renew throughout the length of the interconnection contract.
- (5) The Member shall provide proof of such insurance to the Cooperative at least annually.

4) Contracts

a) Interconnection Contract

The Member will sign and deliver an Agreement for Interconnection to the Cooperative substantially in the form as shown in the COOPERATIVE AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION included in this Manual.

5) Initial Interconnection

- a) Upon satisfactory completion of the review process and execution of required agreements as outlined in this Manual, the Cooperative will begin installation of the interconnection of DG facilities. The interconnection will be completed as soon as practical after completion of the review process and execution of the necessary agreements/contracts. After completion of interconnection requirements and prior to initiation of service, the Cooperative will conduct a final inspection of the facilities and interconnection to the Cooperative's system. Upon satisfactory final inspection, the Cooperative will initiate service to the Member.

6) Disclaimer; No Warranty.

THE COOPERATIVE'S REVIEW PROCESS AND FINAL INSPECTION ARE INTENDED AS A MEANS TO SAFEGUARD THE COOPERATIVE'S FACILITIES AND PERSONNEL. THE MEMBER ACKNOWLEDGES AND AGREES THAT ANY REVIEW OR ACCEPTANCE OF SUCH PLANS, SPECIFICATIONS AND OTHER INFORMATION BY THE COOPERATIVE AND/OR ITS POWER SUPPLIER SHALL NOT IMPOSE ANY

LIABILITY ON THE COOPERATIVE AND/OR ITS POWER SUPPLIER AND DOES NOT GUARANTEE THE ADEQUACY OF THE MEMBER'S EQUIPMENT OR DG FACILITY TO PERFORM ITS INTENDED FUNCTION. THE COOPERATIVE AND ITS POWER SUPPLIER DISCLAIM ANY EXPERTISE OR SPECIAL KNOWLEDGE RELATING TO THE DESIGN OR PERFORMANCE OF GENERATING INSTALLATIONS AND DOES NOT WARRANT THE FITNESS FOR A PARTICULAR PURPOSE, EFFICIENCY, COST-EFFECTIVENESS, SAFETY, DURABILITY, OR RELIABILITY OF SUCH DG INSTALLATIONS.

VI. REFUSAL TO INTERCONNECT SERVICE OR DISCONNECTION OF INTERCONNECTION SERVICE

The Cooperative may, at its sole discretion, prevent the interconnection or disconnect the interconnection of DG facilities due to reasons such as safety concerns, reliability issues, power quality issues, breach of interconnection contract or any other reasonable issue. Any disconnection may be without prior notice. Reasons for prevention of interconnection or disconnection include, but are not limited to, (1) failure to comply with metering requirements, as specified in Section VII.6.a; (2) operation of a DG facility in parallel with the Cooperative's system (Parallel DG) without a signed Interconnection Agreement, approved plans, or payment of applicable fees; or (3) operation of a DG facility claimed to be Isolated DG or with multiple interconnection points capable of delivering energy to the Cooperative's system at a location with an active account or utility billing meter, resulting in unauthorized energy export or grid interaction. Any disconnection may occur without prior notice, and the Member shall be responsible for costs associated with inspection, disconnection, remediation, and billing adjustments for energy consumed but not accurately metered due to unauthorized exports.

VII. OPERATION OF PARALLEL FACILITY

The purpose of this section is to describe the requirements and procedures for safe and effective connection and operation of DG.

The Member may operate a 60 Hertz ("Hz") three-phase or single-phase DG facility, in parallel with the Cooperative system pursuant to an interconnection agreement, provided that the equipment meets or exceeds the requirements of this manual.

This manual describes typical interconnection requirements. Certain specific interconnection locations and conditions may require the installation and use of more sophisticated protective devices and operating schemes, especially when the facility is exporting power to the Cooperative system.

1) Self-Protection of DG Facilities

- a) The Member will furnish, install, operate and maintain in good order and repair all equipment necessary for the safe operation of DG facilities operated in parallel with the Cooperative system.
- b) The Member's equipment will have capability to both establish and maintain synchronism with the Cooperative system and to automatically disconnect and isolate the DG facility from the Cooperative system.
- c) The Member's DG facility will be designed, installed and maintained to be self-protected from normal and abnormal conditions on the Cooperative system including,

but not limited to, overvoltage, undervoltage, overcurrent, frequency deviation, and faults. Self-protection will be compatible with all applicable Cooperative protection arrangements and operating policies.

- d) Additional protective devices and/or functions may be required by the Cooperative when, in the sole judgment of the Cooperative, the particular DG facility installation and/or the Cooperative system characteristics so warrant.

2) Quality of service

- a) The Member's DG facility will generate power at the nominal voltage of the Cooperative's system at the Member's delivery point as defined by ANSI C84.1 Range A.
- b) Member's DG installation will generate power at a frequency within the tolerances as defined by IEEE 1547.
- c) Member's DG facility shall produce power at a minimum power factor of at least 95% or shall use power factor correction capacitors to ensure at least a 95% power factor. The power factor may be adjusted, if required, for changes in wholesale power contracts and/or changes in ERCOT requirements.
- d) Member's DG facility shall be in accordance with the power quality limits specified in IEEE 519.
- e) The overall quality of the power provided by the Member's DG facility including, but not limited to, the effects of harmonic distortion, voltage regulation, voltage flicker, switching surges and power factor, will be such that the Cooperative system is not adversely affected in any manner.
- f) In the event that the adverse effects are caused in whole or in part by the Member's DG facility, the Member will correct the cause of such effects within 30 days, reimburse the Cooperative for required correction, or be disconnected from the Cooperative system.

3) Safety disconnect

- a) The Member shall install a visible load break disconnect switch at the Member's expense and to the Cooperative's specifications.
- b) The switch will be located so as to be readily accessible to Cooperative personnel in a location acceptable to both the Member and Cooperative.
- c) The switch shall be a type that can be secured in an open position by a lock owned by the Cooperative. If the Cooperative has locked the disconnect switch open, the Member shall not operate or close the disconnect switch.
- d) The Cooperative shall have the right to lock the switch open when, in the judgment of the Cooperative:

(1) It is necessary to maintain safe electrical operating and/or maintenance conditions,

- (2) The Member's DG adversely affects the Cooperative system, or
 - (3) There is a system emergency or other abnormal operating condition warranting disconnection.
- e) The Cooperative reserves the right to operate the disconnect switch for the protection of the Cooperative system even if it affects the Member's DG facility. In the event the Cooperative opens and/or closes the disconnect switch:
- (1) The Cooperative shall not be responsible for energization or restoration of parallel operation of the DG facility.
 - (2) The Cooperative will make reasonable efforts to notify the Member.
- f) The Member will not bypass the disconnect switch at any time for any reason.
- g) Signage shall be placed by the Member at the Member's expense and located at the disconnect indicating the purpose of the switch-
- h) Members with DG facilities as defined in this Manual which are solely for the purpose of emergency backup or peak shaving without intent to export power shall not operate their DG facilities at any time unless physically and electrically separated from the Cooperative's system. The Cooperative will require the Member to provide, at their own expense, the proper means of disconnection to ensure the DG facilities and associated equipment are isolated such that site loads are connected to either the DG source or the Cooperative's system, but never to both simultaneously
- i) Should the Cooperative lose power serving the Member's DG facilities for any reason, Members with DG facilities shall not operate their DG facilities unless visibly disconnected from the Cooperative system.
- 4) Access
- a) Persons authorized by the Cooperative will have the right to enter the Member's property for purposes of testing, operating the disconnect switch, reading or testing the metering equipment, maintaining right-of-way or other DG facility equipment and/or Cooperative service requirement. Such entry onto the Member's property may be without notice.
 - b) If the Member erects or maintains locked gates or other barriers, the Member will furnish the Cooperative with convenient means to circumvent the barrier for full access for the above-mentioned reasons.

5) **INDEMNIFICATION**

DG OWNER/MEMBER ASSUMES ENTIRE RESPONSIBILITY AND LIABILITY FOR ANY CLAIM OR ACTIONS BASED ON OR ARISING OUT OF INJURIES, INCLUDING DEATH, TO PERSONS OR DAMAGES TO OR DESTRUCTION OF PROPERTY, SUSTAINED OR ALLEGED TO HAVE BEEN SUSTAINED IN CONNECTION WITH OR TO HAVE ARISEN OUT OF OR INCIDENTAL TO THE PERFORMANCE OF THIS CONTRACT BY DG OWNER/MEMBER, ITS AGENTS AND EMPLOYEES, AND ITS

SUBCONTRACTORS, THEIR AGENTS AND EMPLOYEES, REGARDLESS OF WHETHER SUCH CLAIMS OR ACTIONS ARE FOUNDED IN WHOLE OR IN PART UPON ALLEGED NEGLIGENCE OF OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE INC., TRINITY VALLEY ELECTRIC COOPERATIVE'S REPRESENTATIVE, OR THE EMPLOYEES, AGENTS, INVITEES, OR LICENSEES THEREOF. DG OWNER/MEMBER, FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE AND ITS REPRESENTATIVES, AND THE EMPLOYEES, AGENTS, INVITEES AND LICENSEES THEREOF IN RESPECT OF ANY SUCH MATTERS AND AGREES TO DEFEND ANY CLAIM OR SUIT OR ACTION BROUGHT AGAINST OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE, INC.'S, IT'S REPRESENTATIVES, AND EMPLOYEES, AGENTS, INVITEES, AND LICENSEES THEREOF.

6) Metering/Monitoring

- a) All DG facilities operating in parallel with the Cooperative's system (Parallel DG), including those with battery storage or complex energy management systems, shall be configured to accommodate metering that accurately measures: (1) in-flow (energy supplied by the Cooperative) and out-flow (energy exported to the Cooperative's system) for utility billing, and (2) the total output of the DG facility before any on-site consumption at a single interconnection point, as specified in Section I, General. By default, this shall be achieved through two separate meters: a utility billing meter with two registers and a total DG output meter, both supplied, installed, owned, and maintained by the Cooperative. As an alternative, the Cooperative may, at its sole discretion, approve the use of a single advanced metering device (e.g., a gateway or integrated energy management system) that serves as both the utility billing meter and the interconnection point for the DG system, provided the device: (i) meets all applicable IEEE 1547, ANSI C84.1 and ANSI C12.1 standards, (ii) provides accurate, real-time data for in-flow, out-flow, and total DG output via an API or other Cooperative-approved interface, and (iii) allows the Cooperative full access to metering data for billing and monitoring purposes. DG setups that do not support either the default two-meter configuration or an approved single-device alternative, or that prevent accurate measurement of these metrics, shall not be approved for interconnection.
- b) The Member shall supply at no cost to the Cooperative a suitable location on his or her premises for the installation of the Cooperative's meters and other equipment.
- c) The meter shall be read at a time or times of month determined at the Cooperative's sole discretion for acquiring metering data.
- d) The Cooperative may, at its sole discretion, require the Member to pay the Cooperative in advance for metering and monitoring equipment and installation expense.
- e) Meter testing shall follow the Cooperative's standard policy on metering testing and accuracy.

7) Notice of Change in Installation

- a) The Member will notify the Cooperative in writing thirty (30) days in advance of making any change affecting the characteristics, performance, or protection of the DG facility.

- b) If any modification undertaken by the Member will create or has created conditions which may be unsafe or adversely affect the Cooperative system, the Member shall immediately correct such conditions or be subject to immediate disconnection from the Cooperative system.
- c) Any change in the operating characteristics of the DG facility including, but not limited to, size of generator, total facility capacity, nature of facility, fuel source, site change, hours of operation, or type used, shall require a new application process, including, but not limited to, application form, application fee, DG Plan and DG Plan review by the Cooperative.

8) Testing and Record Keeping

- a) The Member will test all aspects of the protection systems up to and including tripping of the generator and interconnection point at start-up and thereafter as required. Testing will verify all protective set points and relay/breaker trip timing and shall include procedures to functionally test all protective elements of the system. The Cooperative may witness the testing.
- b) The Member will maintain records of all maintenance activities, which the Cooperative may review at reasonable times.

9) Disconnection of Service

The Cooperative may, at its sole discretion, discontinue the interconnection of DG installations due to reasons such as safety concerns, reliability issues, power quality issues, breach of interconnection contract or any other reasonable issue.

10) Compliance With Laws, Rules and Tariffs

The DG installation owned and installed by the Member shall be installed and operated subject to and in accordance with the terms and conditions set forth in the Cooperative's rules, regulations, bylaws, rates and tariffs, as amended from time to time, and, if applicable, approved by the Cooperative's board of directors, which are incorporated herein by reference, and in compliance with all applicable federal, state and local laws, regulations, zoning codes, building codes, safety rules, environmental restrictions, ordinances and regulations, including without limitation, ERCOT ISO directives and ERCOT guidelines, and in accordance with industry standard prudent engineering practices.

**TRINITY VALLEY ELECTRIC COOPERATIVE, INC.
AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED
GENERATION**

**SHORT FORM CONTRACT
APPLICABLE FOR LOADS LESS THAN OR EQUAL TO 60 KW IN SIZE AND OF
STANDARD MANUFACTURE AND DESIGN**

This Interconnection Agreement ("Agreement") is made and entered into this ____ day of _____, 20__, by Trinity Valley Electric Cooperative, Inc., ("Cooperative"), a corporation organized under the laws of the State of Texas, and _____ ("DG Owner/Member"), 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:

The provisions of the Cooperative's Distributed Generation Procedures and Guidelines Manual for Members ("DG Manual") is incorporated into and shall be considered a part of this contract. A copy of the DG Manual has been provided to the DG Owner/Member.

This agreement provides for the safe and orderly operation of the electrical facilities interconnecting the DG Owner/Member's facility of less than or equal to 60 kilowatts at _____

_____ (as further described in Exhibit A) and the electrical distribution facility owned by the Cooperative.

This Agreement does not supersede any requirements of any applicable tariffs in place between the DG Owner/Member and the Cooperative.

1. **Intent of Parties:** It is the intent of the DG Owner/Member to interconnect an electric power generator to the Cooperative's electrical distribution system. It is the intent of the Cooperative to operate the distribution system to maintain a high level of service to their customers and to maintain a high level of power quality. It is the intent of both parties to operate the facilities in a way that ensures the safety of the public and their employees.

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 DG Owner/Member is the "Point of Interconnection." Cooperative and DG Owner/Member agree to interconnect the Facilities at the Point of Interconnection in accordance with the Cooperative's Rules and Regulations and DG Manual relating to interconnection of Distributed Generation (the "Rules") and as described in the attached Exhibit A. The interconnection equipment installed by the customer ("Interconnection Facilities") shall be in accordance with the Rules as well.

3. **Operating authority:** The DG Owner/Member is responsible for establishing operating procedures and standards within their organization. The operating authority for the DG Owner/Member shall ensure that the Operator in Charge of the generator is competent in the operation of the electrical generation system and is aware of the provisions of any operating agreements and regulations relating to the safe operation of electrical power systems.

If other than the DG Owner/Member, the operating authority for the DG facility is:

Name or title of operating authority _____

Address _____

Phone Number _____

4. **Operator in Charge:** The operator in charge is the person identified by name or job title responsible for the real time operation of all electrical facilities related to the interconnection and owned by their organization.

If other than the DG Owner/Member, the operator in charge for the DG facility is:

Name or title of operating authority _____

Address _____

Phone Number _____

5. **INDEMNIFICATION: DG OWNER/MEMBER ASSUMES ENTIRE RESPONSIBILITY AND LIABILITY FOR ANY CLAIM OR ACTIONS BASED ON OR ARISING OUT OF INJURIES, INCLUDING DEATH, TO PERSONS OR DAMAGES TO OR DESTRUCTION OF PROPERTY, SUSTAINED OR ALLEGED TO HAVE BEEN SUSTAINED IN CONNECTION WITH OR TO HAVE ARISEN OUT OF OR INCIDENTAL TO THE PERFORMANCE OF THIS CONTRACT BY DG OWNER/MEMBER, ITS AGENTS AND EMPLOYEES, AND ITS SUBCONTRACTORS, THEIR AGENTS AND EMPLOYEES, REGARDLESS OF WHETHER SUCH CLAIMS OR ACTIONS ARE FOUNDED IN WHOLE OR IN PART UPON ALLEGED NEGLIGENCE OF OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE INC., TRINITY VALLEY ELECTRIC COOPERATIVE'S REPRESENTATIVE, OR THE EMPLOYEES, AGENTS, INVITEES, OR LICENSEES THEREOF. DG OWNER/MEMBER, FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE AND ITS REPRESENTATIVES, AND THE EMPLOYEES, AGENTS, INVITEES AND LICENSEES THEREOF IN RESPECT OF ANY SUCH MATTERS AND AGREES TO DEFEND ANY CLAIM OR SUIT OR ACTION BROUGHT AGAINST OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE, INC.'S, IT'S REPRESENTATIVES, AND EMPLOYEES, AGENTS, INVITEES, AND LICENSEES THEREOF.**

6. **Metering:** Metering shall be accomplished as described in the Cooperative's DG Manual.

7. **Insurance:** Insurance shall be required as described in the Cooperative's DG Manual.

8. **Suspension of Interconnection:** It is intended that the interconnection should not compromise the Cooperative's protection or operational requirements. The operation of the DG Owner/Member's System and the quality of electric energy supplied by the DG Owner/Member shall meet the standards as specified by the Cooperative. If the operation of the DG Owner/Member's system or quality of electric energy supplied (in the case of power export) does not meet the standards as specified, then (the Cooperative) will notify the DG Owner/Member to take reasonable and expedient corrective action. The Cooperative shall have the right to disconnect the DG Owner/Member's System, until compliance is reasonably demonstrated. Notwithstanding, the Cooperative may in its sole discretion disconnect the DG Owner/Member's generating plant from the Distribution Facility without notice if the operating of the Generating Plant may be or may become dangerous to life and property.

9. **Compliance with Laws, Rules and Tariffs:** Both the Cooperative and the DG Owner/Member shall be responsible for complying with all applicable laws, rules and regulations, including but not limited to the laws of the state of Texas, and the Cooperative's DG Manual, Tariffs, Rules and Regulations, By-Laws and other governing documents. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules, rules of the Cooperative as applicable to the electric service provided by the Cooperative and the Cooperative's DG Manual which are hereby incorporated into this Agreement by this reference. The Cooperative shall have the right to publish changes in rates, classification, service or rule, with the proper notification to all DG owners/operators and Cooperative members.

10. **Maintenance Outages:** Maintenance outages will occasionally be required on the Cooperative's system, and the Cooperative will provide as much notice and planning as possible to minimize downtime. It is noted that in some emergency cases such notice may not be possible. Compensation will not be made for unavailability of Cooperative's facilities due to outages.

11. **Access:** DG Owner/Member shall provide Cooperative with access to the DG Owner/Member's plant site for maintenance, inspection, operation, and meter reading, and DG Owner/Member agrees that Cooperative may use unmanned aircraft to capture images of the DG Owner/Member's facilities and property for these purposes. The Cooperative reserves the right, but not the obligation, to inspect the DG Owner/Member's facilities.

12. **Renewable Energy Credits:** DG Owner/Member hereby sells, assigns, and transfers to Cooperative the energy generated by the installed DG facility and any Renewable Energy Credits (RECs) or claims to RECs related to the energy production associated with the DG facility.

13. **Force Majeure:** 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 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, 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.

14. **Assignment:** At any time during the term of this Agreement, the DG Owner/Member may assign this Agreement to a corporation, an entity with limited liability or an individual (the "Assignee"), provided that the DG Owner/Member obtains the 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 DG unit. The company or individual to which this Agreement is assigned will be responsible for the proper operation and maintenance of the unit, and will be a party to all provisions of this Agreement.

15. **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/Member may terminate this Agreement at any time by giving the Cooperative sixty days' written notice; (b) Cooperative may terminate upon failure by the DG Owner/Member to generate energy from the Facilities in parallel within six (6) 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; (d) Cooperative may terminate by giving DG Owner/Member at least sixty (60) days written 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 any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System.

16. **Consent to Disclosure:** DG Owner/Member consents to the Cooperative's collection, use, and disclosure of Member information, including but not limited to account information, facility specifications, equipment data, and generation data to third-party software providers, consultants, engineers, and other third parties to process DG Owner/Member's application, complete the interconnection process, monitor the interconnection, and ensure compliance with the DG Manual and this Agreement.

AGREED TO BY:

DG Owner/Member

Trinity Valley Electric Cooperative, Inc.

Member Name

TVEC Representative Name

TVEC Account Number

Title

Date

Date

Signature

Signature

EXHIBIT A
DESCRIPTION OF FACILITIES AND POINT OF INTERCONNECTION

DG Owner/Member will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for its Facilities, unless otherwise specified on Exhibit A

**TRINITY VALLEY ELECTRIC COOPERATIVE, INC.
AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

***LONG FORM CONTRACT
APPLICABLE FOR LOADS GREATER THAN 60 KW AND/OR NOT OF STANDARD
MANUFACTURE AND DESIGN***

This Interconnection Agreement ("Agreement") is made and entered into this ___ day of _____, 20___, by Trinity Valley Electric Cooperative, Inc., ("Cooperative"), a corporation organized under the laws of the State of Texas, and _____ ("DG Owner/Member"), each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties." The provisions of the Cooperative's Distributed Generation Procedures and Guidelines Manual for Members ("DG Manual") is incorporated into and shall be considered a part of this contract. A copy of the DG Manual has been provided to the DG Owner/Member.

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/Member agree that one or more generating facilities (described in Exhibit A) owned by the DG Owner/Member of more than 60 kW, to be interconnected at _____ kV or less ("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 DG Owner/Member is the "Point of Interconnection." Cooperative and DG Owner/Member agree to interconnect the Facilities at the Point of Interconnection in accordance with the Cooperative's Rules and Regulations and DG Manual relating to interconnection of Distributed Generation (the "Rules") and as described in the attached Exhibit A. The interconnection equipment installed by the customer ("Interconnection Facilities") shall be in accordance with the Rules as well.
- 3. Responsibilities of Cooperative and DG Owner/Member for Installation, Operation and Maintenance of Facilities** – DG Owner/Member will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, its Facilities, unless otherwise specified on Exhibit A. DG Owner/Member shall conduct operations of its Facilities in compliance with all aspects of the Rules, and Cooperative shall conduct operations of its electric distribution facilities in compliance with all aspects of the Rules, or as further described and mutually agreed to in the applicable Facilities Schedule. Maintenance of Interconnection Facilities shall be performed in accordance with the applicable manufacturers' recommended maintenance schedule. The DG Owner/Member agrees to cause its Interconnection Facilities to be constructed in accordance with 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, in effect at the time of construction.

The DG Owner/Member covenants and agrees to cause the design, installation, maintenance, and operation of, its 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/Member shall comply with all applicable laws, regulations, zoning codes, building codes,

safety rules and environmental restrictions applicable to the design, installation and operation of its Facilities.

Cooperative will notify DG Owner/Member if there is evidence that the Facilities' operation causes disruption or deterioration of service to other customer(s) served from the System or if the Facilities' operation causes damage to the System. DG Owner/Member will notify the Cooperative of any emergency or hazardous condition or occurrence with the DG Owner/Member's Facilities, which could affect safe operation of the System.

4. **Operator in Charge** – The Cooperative and the DG Owner/Member shall each identify an individual (by name or title) who will perform as "Operator in Charge" of the facilities and their section of the Interconnection Facilities. This individual must be familiar with this Agreement as well as provisions of other agreements and any regulations that may apply.

5. **INDEMNIFICATION – DG OWNER/MEMBER ASSUMES ENTIRE RESPONSIBILITY AND LIABILITY FOR ANY CLAIM OR ACTIONS BASED ON OR ARISING OUT OF INJURIES, INCLUDING DEATH, TO PERSONS OR DAMAGES TO OR DESTRUCTION OF PROPERTY, SUSTAINED OR ALLEGED TO HAVE BEEN SUSTAINED IN CONNECTION WITH OR TO HAVE ARISEN OUT OF OR INCIDENTAL TO THE PERFORMANCE OF THIS CONTRACT BY DG OWNER/MEMBER, ITS AGENTS AND EMPLOYEES, AND ITS SUBCONTRACTORS, THEIR AGENTS AND EMPLOYEES, REGARDLESS OF WHETHER SUCH CLAIMS OR ACTIONS ARE FOUNDED IN WHOLE OR IN PART UPON ALLEGED NEGLIGENCE OF OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE INC., TRINITY VALLEY ELECTRIC COOPERATIVE'S REPRESENTATIVE, OR THE EMPLOYEES, AGENTS, INVITEES, OR LICENSEES THEREOF. DG OWNER/MEMBER, FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE AND ITS REPRESENTATIVES, AND THE EMPLOYEES, AGENTS, INVITEES AND LICENSEES THEREOF IN RESPECT OF ANY SUCH MATTERS AND AGREES TO DEFEND ANY CLAIM OR SUIT OR ACTION BROUGHT AGAINST OWNER, TRINITY VALLEY ELECTRIC COOPERATIVE, INC.'S, IT'S REPRESENTATIVES, AND EMPLOYEES, AGENTS, INVITEES, AND LICENSEES THEREOF.**

6. **Design Reviews and Inspections** – The DG Owner/Member shall provide to the Cooperative the following documentation and inspection results:

- a. One-Line Diagram. The diagram shall include at a minimum, all major electrical equipment that is pertinent to understanding the normal and contingency operations of the DG Interconnection Facilities, including generators, switches, circuit breakers, fuses, protective relays and instrument transformers.
- b. Testing Records. Testing of protection systems 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.

7. **Right of Access, Equipment Installation, Removal & Inspection** – The Cooperative may send an employee, agent or contractor to the premises of the DG Owner/Member at any time whether before, during or after the time the Facility first produces energy to inspect the Interconnection Facilities, and observe the Facility's installation, commissioning (including any testing), startup, operation, and compliance with the DG Manual and this Agreement.

At all times Cooperative shall have access to DG Owner/Member's premises for any reasonable purpose in connection with the interconnection described in this Agreement, the Rules, or to provide service to its customers. DG Owner/Member shall provide Cooperative with access to the DG Owner/Member's plant site for maintenance, inspection, operation, and meter reading, and DG Owner/Member agrees that Cooperative may use unmanned aircraft to capture images of the DG Owner/Member's facilities and property for these purposes. The Cooperative reserves the right, but not the obligation, to inspect the DG Owner/Member's Facility.

8. **Confidentiality of Information** – Unless compelled to disclose by judicial or administrative process, or by other provisions of law or as otherwise provided for in this Agreement, the DG Owner/Member and the Cooperative will hold in confidence any and all documents and information furnished by the other party in connection with this Agreement.

9. **Prudent Operation and Maintenance Requirements** – The DG Owner/Member shall operate and maintain its generation and interconnection facilities in accordance with industry standard prudent electrical practices. The said standards shall be those in effect at the time a DG Owner/Member executes an interconnection agreement with the Cooperative.

10. **Disconnection of Unit** – DG Owner/Member retains the option to disconnect its Facilities from the System, provided that DG Owner/Member notifies the Cooperative of its intent to disconnect by giving the Cooperative at least thirty (30) days' prior written notice. Such disconnection shall not be a termination of the agreement unless DG Owner/Member exercises rights under Section 14.

DG Owner/Member shall disconnect Facilities from the System upon the effective date of any termination under Section 14.

Subject to the Rules, for routine maintenance and repairs on the System, Cooperative shall provide DG Owner/Member with seven (7) business days' notice of service interruption.

Cooperative shall have the right to suspend service in cases where continuance of service to DG Owner/Member will endanger persons or property. During the forced outage of the System serving DG Owner/Member, Cooperative shall have the right to suspend service to effect repairs on the System, but the Cooperative shall use its efforts to provide the DG Owner/Member with reasonable prior notice.

11. **Metering** – Metering shall be accomplished as described in the Cooperative's DG Manual.

12. **Renewable Energy Credits** – DG Owner/Member hereby sells, assigns, and transfers to Cooperative the energy generated by the Facilities and any Renewable Energy Credits (RECs) or claims to RECs related to the energy production associated with the Facilities.

13. **Insurance** – Insurance shall be required as described in the Cooperative's DG Manual.

14. **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/Member may terminate this Agreement at any time by giving the Cooperative sixty days' written notice; (b) after completion of the interconnection, Cooperative may terminate this Agreement upon failure by the DG Owner/Member to generate energy from the Facilities in parallel for six (6) consecutive months; (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; (d) Cooperative may terminate by giving DG Owner/Member at least sixty (60) days written 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 any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System.

15. **Dispute Resolution** – Each party agrees to attempt to resolve any and all disputes arising hereunder promptly, equitably and in good faith. If a dispute arises under this Agreement that cannot be resolved by the parties within forty-five (45) working days after written notice of the dispute, the parties agree to submit the dispute to mediation by a mutually acceptable mediator. The parties agree to participate in good faith in the mediation for thirty (30) days. If the parties are unsuccessful in resolving their dispute through mediation, then the parties shall submit to arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The venue of such arbitration shall be Kaufman, Texas.

16. **Compliance with Laws, Rules and Tariffs** – Both the Cooperative and the DG Owner/Member shall be responsible for complying with all applicable laws, rules and regulations, including but not limited to the laws of the state of Texas, and the Cooperative's DG Manual, Tariffs, Rules and Regulations, By-Laws and other governing documents. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules of the Cooperative as applicable to the electric service provided by the Cooperative, which tariffs and rules are hereby incorporated into this Agreement by this reference. The Cooperative shall have the right to publish changes in rates, classification, service or rule, with the proper notification to all DG owners/members and Cooperative members.

17. **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.

18. **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.

19. **Entirety of Agreement and Prior Agreements Superseded** – This Agreement, including the Rules and all 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 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/Member application, or other written information provided by the DG Owner/Member in compliance with the Rules. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

20. **Force Majeure** – 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 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, rebellion or insurrection; floods, hurricanes, earthquakes, lighting, 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.

21. **Assignment** – At any time during the term of this Agreement, the DG Owner/Member may assign this Agreement to a corporation, an entity with limited liability or an individual (the "Assignee"), provided that the DG Owner/Member obtains the 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 DG unit. The company or individual to which this Agreement is assigned will be responsible for the proper operation and maintenance of the unit, and will be a party to all provisions of this Agreement.

22. **Permits, Fees and Approvals** – The Cooperative will have responsibility for the review, approval or rejection of the DG interconnection application. The approval process is intended to ensure that the implementation of the applicant's DG project will not adversely affect the safe and reliable operation of the Cooperative's System. The fees associated with the Application are listed in the most current fee schedule issued by the Cooperative. All fees are to be submitted in the form of a Bank Cashier's check along with the Application, unless other payment terms have been approved in advance by the Cooperative.

23. **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:

(a) If to Cooperative:

(b) If to DG Owner/Member:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 18.

24. **Invoicing and Payment** – Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable Rules of the Cooperative.

25. **Consent to Disclosure** – DG Owner/Member consents to the Cooperative's collection, use, and disclosure of Member information, including but not limited to account information, facility specifications, equipment data, and generation data to third-party software providers, consultants, engineers, and other third parties to process DG Owner/Member's application, complete the interconnection process, monitor the interconnection, and ensure compliance with the DG Manual and this Agreement.

26. **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. This Agreement may not be assigned by the DG Owner/Member without the prior written consent of the Cooperative as specified in Section 21. 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.

27. **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.

28. **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.

Trinity Valley Electric Cooperative, Inc.

[DG OWNER/MEMBER NAME]

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

TVEC ACCOUNT NO. _____

EXHIBIT A

DESCRIPTION OF FACILITIES AND POINT OF INTERCONNECTION

DG Owner/Member will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for its Facilities, unless otherwise specified on Exhibit A

TRINITY VALLEY ELECTRIC COOPERATIVE, INC.

Application for Operation of Customer-Owned Generation

This application should be completed as soon as possible and returned to the Cooperative Customer Service representative in order to begin processing the request. See *Distributed Generation Procedures and Guidelines Manual for Members* for additional information.

INFORMATION: This application is used by the Cooperative to determine the required equipment configuration for the Customer interface. Every effort should be made to supply as much information as possible.

MEMBER INFORMATION

Member: _____ TVEC Account #: _____

Email: _____ Phone #: _____

Installation Address: _____

City: _____ State: _____ Zip Code: _____

(as applicable)

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

TDLR ELECTRICAL CONTRACTOR AND MASTER ELECTRICIAN

Contractor Name: _____ Contractor License # _____

Email: _____ Phone #: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Master Electrician Name: _____ License #: _____

TEXAS BOARD OF PROFESSIONAL ENGINEERS FIRM AND PE

Engineering Firm: _____ Firm #: _____

PE Name: _____ PE License #: _____

(as applicable) PE Name: _____ PE License #: _____

Email: _____ Phone #: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

TYPE OF GENERATOR (as applicable)

Photovoltaic:	<input type="checkbox"/>	Battery:	<input type="checkbox"/>	Wind:	<input type="checkbox"/>
Microturbine:	<input type="checkbox"/>	Diesel Engine:	<input type="checkbox"/>	Gas Engine:	<input type="checkbox"/>

DISTRIBUTED GENERATION SYSTEM SIZE (kW)

AC Rating: _____ DC Rating: _____ PTC Rating: _____

Provide the current annual site consumption, the projected annual generation, the percentage of the current load that this DG system will offset, and the expected completion date of system installation.

Site Consumption: _____ (kWh) Projected DG: _____ (kWh)
Utility Offset: _____ (%) Expected Completion: _____

DESCRIPTION OF PROPOSED INSTALLATION AND OPERATION

Give a general description of the proposed installation, including the expected completion date.

INVERTER DATA

Manufacturer: _____ Model: _____
Weighted Efficiency (%): _____ Nominal Voltage (V): _____
Max Cont. Power (kW): _____ Number of Units: _____
Hybrid Inverter: _____

PV MODULES INTERCONNECTED TO INVERTER

Manufacturer: _____ Model: _____
STC Rating (W): _____ PTC Rating (W): _____
Number of Units: _____

DC BATTERY INTERCONNECTED TO INVERTER (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Capacity (kWh): _____ Battery to Load Efficiency (%): _____
Number of Units: _____

INVERTER DATA (as applicable)

Manufacturer: _____ Model: _____

Weighted Efficiency (%): _____ Nominal Voltage (V): _____

Max Cont. Power (kW): _____ Number of Units: _____

Hybrid Inverter: _____

PV MODULES INTERCONNECTED TO INVERTER

Manufacturer: _____ Model: _____

STC Rating (W): _____ PTC Rating (W): _____

Number of Units: _____

DC BATTERY INTERCONNECTED TO INVERTER (as applicable)

Manufacturer: _____ Model: _____

Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____

Capacity (kWh): _____ Battery to Load Efficiency (%): _____

Number of Units: _____

INVERTER DATA (as applicable)

Manufacturer: _____ Model: _____

Weighted Efficiency (%): _____ Nominal Voltage (V): _____

Max Cont. Power (kW): _____ Number of Units: _____

Hybrid Inverter: _____

PV MODULES INTERCONNECTED TO INVERTER

Manufacturer: _____ Model: _____

STC Rating (W): _____ PTC Rating (W): _____

Number of Units: _____

DC BATTERY INTERCONNECTED TO INVERTER (as applicable)

Manufacturer: _____ Model: _____

Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____

Capacity (kWh): _____ Battery to Load Efficiency (%): _____

Number of Units: _____

AC COUPLED BATTERY (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Total Capacity (kWh): _____ Round Trip Efficiency (%): _____
Nominal AC Voltage (V): _____ Number of Units: _____

AC COUPLED BATTERY (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Total Capacity (kWh): _____ Round Trip Efficiency (%): _____
Nominal AC Voltage (V): _____ Number of Units: _____

AC COUPLED BATTERY (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Total Capacity (kWh): _____ Round Trip Efficiency (%): _____
Nominal AC Voltage (V): _____ Number of Units: _____

AC COUPLED BATTERY (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Total Capacity (kWh): _____ Round Trip Efficiency (%): _____
Nominal AC Voltage (V): _____ Number of Units: _____

AC COUPLED BATTERY (as applicable)

Manufacturer: _____ Model: _____
Max Cont. Charge (kW): _____ Max Cont. Discharge (kW): _____
Total Capacity (kWh): _____ Round Trip Efficiency (%): _____
Nominal AC Voltage (V): _____ Number of Units: _____

ADDITIONAL INFORMATION

In addition to the items listed above, please attach a detailed one-line diagram of the proposed facility, all applicable elementary diagrams, major equipment (generators, transformers, inverters, circuit breakers, protective relays, etc.), specifications, test reports, etc., and any other applicable drawings or documents necessary for the proper design of the interconnection.

SIGN OFF AREA

The customer agrees to provide the Cooperative with any additional information required to complete the interconnection. The customer shall operate his equipment within the guidelines set forth by the Cooperative.

Applicant

Date

TVEC Account Number

ELECTRIC COOPERATIVE CONTACT FOR APPLICATION SUBMISSION AND FOR MORE INFORMATION:

Cooperative contact: _____
Title: _____
Address: _____

Phone: _____
Fax: _____
