

## Terms and Conditions for Interconnection

1. The standard costs to install the meter, change the billing data, and perform the commissioning test are paid by the member. We will send an invoice for \$500 to cover these fees as the project nears completion.
2. The inverter must comply with IEEE Standard 1547. Proof of compliance is required.
3. An Underwriters Laboratory (UL) 1741 listing for the inverter is also required. Please submit a one-line diagram, including size in AC and DC for our engineering department to review and approve prior to purchase. (This is usually supplied to us by solar installer.)
4. A lockable disconnect is to be provided in close proximity (within 10') of the revenue meter so we can disconnect the inverter, if necessary. *Disconnects are not allowed to be attached to SWECI transformer poles.* The disconnect should be labeled identifying it as an interconnected source of generation. If the panels are located on a building other than where our meter is located, labeling should also indicate where the disconnect is located.
5. The inverter is not to be interconnected to the utility until it has passed commissioning and a dual register meter has been installed.
6. Installation must comply with the requirements of the National Electric Code and the requirements of any other jurisdictional authority.
7. Compensation for generation flowing into the cooperative will be at our average avoided cost, which is currently 4.881¢ per kWh. A dual register meter will record both the kWh purchased and the kWh generated onto our system – both registers are read at the beginning of the month and the kWh purchased are calculated at your current rate while the kWh generated onto our system are calculated at our avoided cost. If the dollar amount of credit is greater than the dollar amount of your energy charge, the difference will be put into your “cogen bank” to be applied in future months as needed. The bank resets on January 1<sup>st</sup> of each year. Any remaining balance will be cleared on this date.
8. Each account will pay the monthly Infrastructure and Operations charge, regardless of the amount of kWh generated onto our system.
9. The Indemnification and Hold Harmless agreement must be signed, notarized, and returned to SWEC.
10. The member must provide proof of insurance with Southwestern Electric listed as an additional insured prior to setting the commissioning date. You may want to provide your insurance agent with the following information to better meet the insurance requirements, in addition to sharing the attached sample certificate of insurance with him/her.

*A solar array system has been installed on the member's property, and he wishes to interconnect with Southwestern Electric Cooperative's distribution system. Any generation not consumed by the member is pushed out to our distribution system. In the event that something goes awry, we need to make sure there is insurance to cover any resulting damage, injuries, etc. Therefore, the*

*member shall carry a liability insurance policy issued by a licensed insurance carrier that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the Distributed Generation facility under this agreement. The limits of such policy shall be at least \$1,000,000 per occurrence. To ensure the member's policy does provide coverage, the certificate of insurance can include the language "Coverage includes all property damage, medical, and liability resulting from member's interconnection to Southwestern Electric Cooperative Facilities" or similar language as approved by the Cooperative and list us as an additional insured on the policy.*

11. Upon interconnection your account will be moved to cycle 1 billing which bills on the first of the month to facilitate the cogen banking – this will make your payment due date the 26<sup>th</sup> of the month.
12. A Memorandum of Understanding must be signed and returned to SWEC for your file as well.
13. To qualify for SRECs under the Adjustable Block Program, your system must be installed by a DG certified installer.
14. We will not be able to marry the sub-metered electric heat rate with the cogen rider. However, we can marry the unmetered electric heat rate with the cogen rider, which means we will pull the sub-meter and cover the base when we do the commissioning. With this change, the kilowatt hours used to heat your home are still billed at the reduced rate.