NET METERING AND INTERCONNECTION AGREEMENT

This Agreement made _____, 20___, between Coweta-

Fayette Electric Membership Corporation (hereinafter called "Cooperative"), and

_____ (hereinafter called the "Net Metering Customer"),

WITNESSETH:

WHEREAS, the Cooperative is a non-profit electric membership corporation providing retail electric service; and

WHEREAS, the Net Metering Customer is a member of the Cooperative; and

WHEREAS, the Net Metering Customer desires to install, own, operate and maintain a renewable resource distributed generation facility primarily intended to supply all or part of its total electric power and energy requirements; and

WHEREAS, the Net Metering Customer desires to interconnect with the Cooperative's electric distribution system (hereinafter called "System") of the Cooperative and has complied with the provisions for interconnection contained in the Cooperative's Distributed Generation and Net Metering Policy; and

WHEREAS, the Net Metering Customer desires to operate its generation equipment in parallel with the Cooperative's System.

NOW THEREFORE, it is understood and agreed that the Cooperative shall permit the Net Metering Customer to connect its generation system to the System and to operate its generation equipment in parallel with the System subject to the following terms and conditions:

1. COST OF INTERCONNECTION AND PROTECTIVE EQUIPMENT:

The Net Metering Customer shall be responsible for all costs of installing, operating and maintaining protective equipment and/or electrical facilities required to interconnect the Customer's generation equipment with the System.

2. OPERATING LIMITS:

Operation of Net Metering Customer-owned parallel generating equipment shall not compromise the quality of electric service to other members on the System. The Net Metering Customer's parallel generating equipment shall meet the following minimum requirements:

a) <u>Voltage</u>

The Net Metering Customer shall be capable of operating its generating equipment at a voltage level of plus/minus 6% of nominal system voltage. Utility grade negative sequence/under-voltage relaying shall be used to trip the equipment off the line for negative excursions exceeding 8.25% of nominal for a maximum duration of six electrical cycles. Positive excursions exceeding 10% of nominal voltage shall cause the equipment to trip off line. Voltage regulating equipment shall maintain stable excitation levels with negligible hunting (less than 2% of nominal phase current).

b) <u>Flicker</u>

Parallel operation of the generating equipment shall not cause voltage flicker in excess of 2% of nominal line voltage as measured at the primary terminals of the Net Metering Customer's generator interface transformer.

c) <u>Frequency</u>

While operating in parallel with the System, the Net Metering Customer must provide a utility grade precision over/under frequency relay calibrated to trip for frequency excursions exceeding plus/minus 0.25 Hz for greater than 10 electrical cycles on a 60 Hz base.

d) <u>Power Factor</u>

Net Metering Customer-owned generation shall employ automatic means of reactive power regulation while operating in parallel with the System. The Net Metering Customer's generating equipment shall be capable of operation within the range of 0.8 lagging to 0.8 leading power factor as required by the Cooperative.

e) <u>Harmonics</u>

Total current harmonic distortion shall not exceed 5.0%. Total voltage harmonic distortion shall not exceed 5.0%, with a limit of 3.0% on any individual harmonic. Special consideration will be given to regenerative drive systems and invertors reviewed on an individual case-by-case basis.

f) <u>Stability</u>

While operating in parallel with the System, the Net Metering Customer's generating equipment shall maintain a stable output level with no noticeable hunting exhibited. In the event a system instability condition arises due to Net Metering Customer-owned generation, it is the Net Metering Customer's responsibility to take measures to rectify the source of instability.

3. GENERATOR INTERFACE TRANSFORMER:

The generator interface transformer is intended to provide isolation of the Net Metering Customer's generating equipment from the System. The inherent impedance of the transformer will minimize the impact on the System due to faults originating at the Net Metering Customer's generation equipment. This transformer may consist of an existing transformer serving the Net Metering Customer's loads or a dedicated transformer dictated by generator or prevailing system characteristics. Interface transformer specifications are determined by the Cooperative and determination of ownership of said transformer shall be at the Cooperative's option.

4. GENERATOR PARALLELING BREAKER:

It is required that a generator-paralleling breaker be of draw-out construction, electrically operated, and rated as a five electrical cycle device for fault clearing or tripping.

5. SYNCHRONIZATION:

It is the Net Metering Customer's responsibility to provide proper synchronizing of its parallel generating equipment. The Cooperative assumes no liability for any Net Metering Customer-owned generation and assumes that the Net Metering Customer operates its equipment at its own risk. Synchronizing equipment shall be capable of matching frequency within plus/minus 0.05 Hz and plus/minus 10 electrical degrees phase angle prior to paralleling breaker closure. Voltage shall be matched within plus/minus 4%.

6. SAFETY:

- a) Operation of Net Metering Customer-owned generation equipment shall not present a safety hazard to the Cooperative employees or other members connected to the System or the public at large. Under no circumstances shall the Net Metering Customer-owned generation be used or be capable of energizing a dead System circuit. A positive means of disconnecting and locking out the Net Metering Customer-owned generation equipment with visible air-gap shall be provided to insure safety of Cooperative operating personnel during line maintenance. This disconnecting means may be via a lockable air-break disconnect or by a lockable drawout circuit breaker. Islanding of the Net Metering Customer-owned generation (a situation whereby the Net Metering Customer's loads and generation remains connected to the bus) shall be prevented by protective relaying specified by the Cooperative based on individual review of the Net Metering Customer's proposed generating system.
- b) It is not the intent of this document to specify protection of the Net Metering Customer's generator. Protection of the Net Metering Customer's generating equipment is the responsibility of the Net Metering Customer and the

Cooperative assumes no liability for damage or failure of the Net Metering Customer's generation equipment.

- c) The Net Metering Customer must provide verification that a qualified independent electrical contractor licensed to practice in Georgia has certified that the required manual disconnect switch has been installed properly; that the distributed generation facility has been installed in accordance with the manufacturer's specifications; and that the installation meets all applicable safety, power quality, and interconnection requirements established by the National Electrical Code, the National Electrical Safety Code and the Institute of Electrical and Electronics Engineers;
- d) The Net Metering Customer must provide verification that the vendor has certified that the distributed generation facility which has been installed is in compliance with the requirements established by Underwriters Laboratories or other national testing laboratories;
- e) In the case of static inverter-connected renewable fuel generators with an alternating current capacity in excess of 10 kilowatts, the Net Metering Customer has had the inverter settings inspected by the Cooperative. The Cooperative may impose a fee on the Net Metering Customer of no more than \$50 for such inspection;
- f) In the case of non-static inverter-connected renewable fuel generators, the Net Metering Customer has interconnected according to the Cooperative's interconnection guidelines and the Cooperative has inspected all protective equipment settings. The Cooperative may impose a fee on the net metering customer of no more than \$50 for such inspection.

7. TESTING:

The Net Metering Customer shall retain a qualified independent electrical engineer licensed to practice in Georgia to maintain and annually test system protective relaying for the Customer-owned generating equipment. Upon demand, the Net Metering Customer shall produce records of testing and relay setting sheets for review by the Cooperative.

The Net Metering Customer shall verify proper tripping and lockout of the generator system for all defined faults as determined by the Cooperative during final review of system relay requirements. Failure to maintain records will be grounds for refusal of permission to operate parallel generating equipment. Under no circumstances shall parallel generating equipment be operated with inoperative or defective protective relays. Testing and maintenance of the intertie package will be performed by the Cooperative at the expense of the Net Metering Customer.

8. COMPLIANCE PROCEDURE:

The Cooperative reserves the right to automatically or manually disconnect the Net Metering Customer's generation equipment without prior notice whenever, at the Cooperative's sole discretion, the Net Metering Customer is deemed by the Cooperative to not be in compliance with the interconnection requirements as specified via this Agreement. The interconnection will remain open until corrective action is taken and suitable testing is completed.

9. NET METERING AND INTERCONNECTION CHARGE:

The Net Metering Customer shall pay the Cooperative in accordance with the rates, terms and conditions of the "Net Energy Metering Rider" attached to and made a part of this Agreement.

10. TERM:

This Agreement shall become effective on the date first above written and shall remain in effect until 1 year following the start of the initial billing period and thereafter until terminated by either party giving to the other 3 months' notice in writing; provided, however, the Cooperative may terminate this Agreement prior to the expiration of the term hereof upon any breach of this Agreement by the Net Metering Customer.

The parties hereto have executed this Agreement all as of the day and year first above written.

Net Metering Customer

Coweta-Fayette EMC

Signature

Signature

Name

Name

Title

Title