
PARALLEL GENERATION RIDER – QUALIFYING FACILITY

AVAILABILITY

Service is available under this Rider at points on the Company's existing electric distribution system for Customers operating Qualifying Facilities. Service under this Rider is not applicable to standby or resale electric service.

APPLICABILITY

This Rider is applicable to Customer-generators with a Company-approved interconnection agreement who do not qualify for service under the Company's Net Metering Rider or Renewable Parallel Generation Rider.

CHARACTER OF SERVICE

Alternating current, 60 cycles, at the voltage and phase of the Company's established secondary distribution system immediately adjacent to the service location.

BILLING AND PAYMENT

The Company shall render a bill for consumption at approximately 30-day intervals during the Company's normal billing process. Billing by the Company to the Customer shall be in accordance with the applicable rate schedule. For electrical energy delivered by the Customer to the Company from the Customer's Qualifying Facility, the Company shall pay one-hundred percent (100%) of the Company's actual cost of purchased energy and fossil fuel burned in generation as calculated in the Energy Cost Adjustment (ECA) filing(s) for the period(s) in which energy was delivered to the Company. At Company's discretion, such amount shall be credited to Customer's account or paid at least annually.

DEFINITIONS

Customer-generator:

The owner or operator of a qualified electric energy generation unit which:

- (a) Is powered by a "Qualifying Facility" for co-generation or small power production as defined in Subpart B of the Public Utility Regulatory Policies Act of 1978 (PURPA), and 18 CFR Part 292;
- (b) Is located on a premises owned, operated, leased, or otherwise controlled by the Customer-generator;
- (c) Is interconnected and operates in parallel phase and synchronization with the Company's system.
- (d) Meets all applicable safety, performance, interconnection, and reliability standards established by the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, the Federal Energy Regulatory Commission, and any local governing authorities; and

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- (e) Contains a mechanism that automatically disables the unit and interrupts the flow of electricity back onto the Company's electric lines in the event that service to the Customer-generator is interrupted.

Each meter connected under this Rider defines a Customer-generator. A generator owned or operated by a Customer-generator cannot be connected in common with any other meter or be deemed to be for the purpose of serving the load connected to any other meter. To the extent that the Customer-generator controls the Qualifying Facility and meets the requirements and accepts all of the obligations of this Rider, the Customer-generator is not required to own the generating facilities.

TERMS AND CONDITIONS

1. The Company will supply, own and maintain at its expense all necessary meters and associated equipment utilized for billing. In addition, and for purposes of monitoring Customer generation and load, the Company may install load research metering at its expense. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research. Such equipment shall be accessible at all times to utility personnel.
2. The Company shall have the right to require the Customer, at certain times and as electric operating conditions warrant, to limit the production of electrical energy from the generating facility to an amount no greater than the load at the Customer's facility of which the generating facility is a part.
3. The Customer shall furnish, install, operate and maintain in good order and repair without cost to the Company such relays, locks and seals, breakers, automatic synchronizers, disconnecting devices, and other control and protective devices as shall be designated by the Company as being required as suitable for the operation of the generator in parallel with the Company's system.

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4. The Customer shall install and maintain a visible, manual disconnect switch. This manual switch must have the capability to be locked out by Company personnel to isolate the Company's facilities in the event of an electrical outage on the Company's transmission and distribution facilities serving the Customer. This isolating device shall also serve as a means of isolation for the Customer's equipment during any Customer maintenance activities, routine outages or emergencies. The Company shall give notice to the Customer before a manual switch is locked or an isolating device used, if possible; and otherwise shall give notice as soon as practicable after locking or isolating the Customer's facilities.
5. The Customer shall reimburse the Company for any equipment, facilities, protective equipment or upgrades required solely as a result of the installation by the Customer of generation in parallel with the Company's system.
6. The Customer shall notify the Company prior to the initial energizing and start-up testing of the Customer-owned generator, and the Company shall have the right to have a representative present at said test.
7. If harmonics, voltage fluctuations, or other disruptive problems on the Company's system are directly attributable to the operation of the Customer's system, such problem(s) shall be corrected at the Customer's expense.
8. No Customer's generating system shall damage the Company's system or equipment or present an undue hazard to Company personnel. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a Qualifying Facility or for the acts or omissions of a Customer-generator that cause loss or injury, including death, to any third party. The Customer-generator agrees to hold the Company harmless from injury or property damage incurred by any person and arising out of the ownership, operation, maintenance, or use of Customer's electrical generation facility and to indemnify the Company against all liability and expense related thereto.
9. Prior to installing and interconnecting a Qualifying Facility the Customer shall enter into a standard interconnection contract with the Company setting forth the conditions related to technical and safety aspects of parallel generation.
10. Service under this Rider is subject to the Company's approved Distributed Resource Interconnection Tariff, and Terms and Conditions and subsequent modifications thereto.

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11. The Customer-generator shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself and the characteristics of the system to which the interconnection is made, and in no event may be less than specified in the Company's approved Distributed Resource Interconnection Tariff.
12. Applications by a Customer-generator for interconnection of the qualified generation unit to the distribution system shall be accompanied by the plan for the Customer-generator's electrical generating system, including, but not limited to, a wiring diagram and specifications for the generating unit, and shall be reviewed and responded to by the Company within 30 days after receipt for systems of 10 kilowatts or less and within 90 days after receipt for all other systems. Prior to the interconnection of the qualified generation unit to the supplier's system, the Customer-generator shall furnish the Company a certification from a qualified professional electrician or engineer that the installation meets the requirements of Company's approved Distributed Resource Interconnection Tariff. If the application for interconnection is approved by the Company and the Customer-generator does not complete the interconnection within one year after receipt of notice of the approval, the approval shall expire and the Customer-generator shall be responsible for filing a new application. Upon the change in ownership of a qualified Renewable Energy Resource, the new Customer-generator shall be responsible for filing a new application under this section.



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