

**MIDDLE GEORGIA ELECTRIC MEMBERSHIP CORPORATION
VIENNA, GEORGIA**

**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION
OF MEMBER GENERATION**

This AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF MEMBER GENERATION (Interconnection Agreement), made on or as of the _____ day of _____, by and between MIDDLE GEORGIA ELECTRIC MEMBERSHIP CORPORATION, a corporation organized under the laws of the State of Georgia, whose principal office is located in Vienna, Georgia (hereinafter called the Corporation), and the following Member Generator:

whose address is _____

(hereinafter called "Member Generator") (each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties"), whose distributed generation facility (hereinafter called "DG Facility") is located in _____ County, Georgia and further described as being located in Map No. _____, Block No. _____, Consumer No. _____ of the electric distribution system maps of the Middle Georgia Electric Membership Corporation.

WITNESSETH:

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** — This Interconnection Agreement is applicable to conditions under which the Corporation and the Member Generator agree that one or more DG Facilities (described in Exhibit 1) owned and/or operated by the Member Generator of _____ kW or less, may be interconnected to the Corporation's electric power distribution system ("System") at an interconnection point (the "Point of Interconnection"). The provisions of the Corporation's DISTRIBUTED GENERATION INTERCONNECTION PROCEDURE FOR PARALLEL GENERATION EQUIPMENT (the "Corporation DG Procedures"), and subsequent revisions thereof, shall be considered to be a part of this Interconnection Agreement.

2. Establishment of Point of Interconnection —Corporation and Member Generator agree to interconnect the DG Facilities at the Point of Interconnection in accordance with:

- a. the Corporation's Service Rules and Regulations; and,
- b. the DISTRIBUTED GENERATION INTERCONNECTION PROCEDURE FOR PARALLEL GENERATION EQUIPMENT (the "Corporation DG Procedures"); and,
- c. the Corporation's requirements relating to distributed generation as described in the attached Exhibit 1.

All requirements named in this paragraph 2 are together herein referred to as "Rules."

3. Continuity of Service — The Corporation shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy, but if such supply shall fail, be interrupted, or become defective through act of God, or the public enemy, or by accident, strikes, or labor trouble, or by action of the elements, or because of inability to secure right-of-way, or other permits needed, or for any cause beyond reasonable control of the Corporation the Corporation shall not be liable therefor.

4. Responsibilities of Corporation and Member Generator for Installation, Operation and Maintenance of Facilities — Member Generator, at its own cost and expense shall operate, maintain, repair, and inspect, and shall be fully responsible for, its DG Facilities, unless otherwise specified on Exhibit 1. Member Generator shall conduct operations of its DG Facilities in compliance with all aspects of the Rules, and Corporation 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 attached Exhibit 1. Maintenance of DG Facilities shall be performed in accordance with the applicable manufacturers' recommended maintenance schedule. The Member Generator agrees to ensure its DG Facilities are constructed, operated and maintained 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 and future modifications thereof.

The Member Generator covenants and agrees to cause the design, installation, maintenance and operation of its DG Facilities so as to reasonably minimize the likelihood of a malfunction or other disturbance, damaging or otherwise affecting or impairing the System. Member Generator 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 DG Facilities.

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

5. **Operator in Charge** — The Member Generator shall identify an individual (by name and title) who will perform as "Operator in Charge" of the DG Facility. This individual must be familiar with this Interconnection Agreement as well as provisions of other agreements and any regulations that may apply.

6. **Limitation of Liability and Indemnification**

- a. As provided in the Corporation DG Procedures
- b. Neither Corporation nor Member Generator shall be liable to the other for damages resulting from a Force Majeure event as hereinafter defined.
- c. The provisions of this Section 6 shall survive any termination of this Agreement.

7. **Design Reviews and Inspections** — The Member Generator shall provide to the Corporation 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 Member Generator's DG Facilities, including generators, switches, circuit breakers, fuses, protective relays and instrument transformers.
- b. Testing Records. Testing of Facilities shall include manufacturer recommended testing, including Corporation-verified operation of all interconnection relays and connect/disconnect devices at the start of commercial operation and periodic manufacturer recommended testing thereafter at least on an annual basis, also to be verified with the Corporation if deemed necessary by the Corporation. Records documenting testing and results shall be kept for two years following the testing and shall be provided to the Corporation upon request. The Corporation assumes no liability in its role of verification.

8. **Right of Access, Equipment Installation, Removal & Inspection** — The Corporation may send an employee, agent or contractor to the premises of the Member Generator at any time whether before, during or after the time the DG Facilities first produce energy to inspect the DG Facilities, and observe the DG Facility's installation, commissioning (including any testing), start-up and operation. At all times Corporation

shall have access to Member Generator's premises for any purpose in connection with the interconnection described in this Interconnection Agreement, the Rules, or to provide service to its members.

9. **Disconnection of Unit** — Member Generator retains the option to disconnect or cease using its DG Facilities from the System, provided that Member Generator notifies the Corporation of its intent to disconnect or cease using the DG Facilities for a period of at least thirty (30) calendar days by giving the Corporation written notice. Such disconnection shall not terminate the Member Generator's financial or other obligations to the Cooperative under this Agreement, and in no event shall such disconnection be a termination of the Interconnection Agreement unless Member Generator exercises rights to terminate under Section 12.

Member Generator shall disconnect its DG Facilities from the System upon the effective date of any termination under Section 12.

Corporation shall have the right to suspend service in cases where continuance of service to Member Generator will, in the Corporation's sole judgment, endanger persons or property.

10. **Metering** — Metering shall be accomplished as described in the Corporation's DG Procedures.

11. **Insurance** — Insurance shall be required as described in the Corporation's DG Procedures.

12. **Effective Term and Termination Rights** — This Agreement becomes effective as of the Effective Date when executed by both Parties and shall continue in effect until terminated. This Agreement may be terminated as follows: (a) Member Generator may terminate this Agreement at any time by giving the Corporation sixty (60) calendar days' written notice; (b) Corporation may terminate upon failure by the Member Generator to generate energy from the DG Facilities in parallel within one hundred eighty (180) calendar days after the Effective Date; (c) either Party may terminate by giving the other Party at least thirty (30) calendar days prior written notice that the other Party is in default of any of the terms and conditions of the Interconnection Agreement or the Rules or any rate schedule, tariff, regulation, contract or policy of the Corporation, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) Corporation may terminate by giving Member Generator at least sixty (60) calendar days notice in the event that there is a material change in an applicable law, or any requirement of the Corporation'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.

13. **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 sixty (60) calendar 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) calendar 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 Sumter County, Georgia.

14. **Compliance with Laws, Rules and Tariffs** — The DG Facility installation owned/operated and installed by the Member Generator shall be installed and operated by Member Generator subject to and in accordance with:

a. the terms and conditions set forth in the Cooperative's Service Rules and Regulations, bylaws, rates and tariffs; and,

b. Corporation DG Procedures, 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 and in accordance with industry standard prudent engineering practices.

The provisions of the Cooperative's Service Rules and Regulations, the Cooperative's Bylaws, rates, tariffs, in the Cooperative's DG Procedures, or in any of the other documents executed by the parties or adopted by the Cooperative in connection with Member's ownership and operation of Member's DG Facilities (all collectively referred to herein as the "other documents") are all incorporated into this Interconnection Agreement as fully and completely as if set out herein. In the event that a conflict exists between any provision or provisions of this Interconnection Agreement and any provision or provisions of the other documents, the provision or provisions of the other documents shall in all events control.

15. **Severability** — If any portion or provision of this Agreement is held or adjudged for any reason to be invalid or illegal or unenforceable by any court of competent jurisdiction such portion shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.

16. **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 both Parties.

17. **Entirety of Agreement and Prior Agreements Superseded** — This Interconnection 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 subject matter hereof. 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. 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 Interconnection Agreement.

18. **Force Majeure** — For the purposes of this Interconnection 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, acts of terrorism, 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.

19. **Assignment** — At any time during the term of this Interconnection Agreement, the Member Generator may assign this Interconnection Agreement provided that the Member Generator obtains the written consent of the Corporation in advance of the assignment. The Corporation's consent will be at the Corporation's discretion based on whether or not the Corporation determines that the Assignee is financially and technically capable to assume ownership and/or operation of the Member Generator's DG Facility and whether such Assignee meets all requirements as set forth in Paragraph 14 above. The company or individual to which this Interconnection Agreement is assigned will be responsible for the proper operation and maintenance of the Member Generator's DG Facility, and will be a party to all provisions of this Interconnection Agreement.

20. **Permits, Fees and Approvals** — The Corporation will have responsibility for the review, approval or rejection of the Member-Owned Generating Facility and Interconnection Application. The approval process is intended to ensure that the implementation of the applicant's Member DG Facility will not adversely affect the safe and reliable operation of the Corporation's System. However, any adverse effect shall be the sole responsibility of the Member Generator. The Member Generator agrees to pay the Application Fees and Engineering Fees as set forth in the most current Corporation DG Procedures.

21. **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 Corporation:
President/CEO
Middle Georgia Electric Membership Corporation
P.O. Box 190
Vienna, Georgia 31092

b. If to Member:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 16.

22. **Invoicing and Payment** — For service rendered hereunder, the Member Generator will pay the Corporation monthly in accordance with the rates and minimum charges and will otherwise comply with the terms and conditions set forth or provided for in Rate Schedule _____, entitled _____ as the same is hereto attached and as it may be amended and changed from time to time hereafter during the entire term of this contract so long as such amendments and changes apply to all members governed by the _____ Rate Schedule.

In addition, for Member DG Facilities that qualify as Small DG Facilities, the Member Generator shall pay (or be credited, as the case may be) according to Schedule NEM-1, Net Energy Metering for Small DG Facilities, as the same is hereto attached and as it may be amended and changed from time to time hereafter during the entire term of this contract so long as such amendments and changes apply to all members governed by the NEM-1 Rate Schedule.

Such payments (or credits as the case may be) will also be as called for in the Corporation's bylaws and service rules and regulations which pertinent parts are made a part of this Interconnection Agreement. The Member Generator further agrees to be bound by any amendments and changes to said bylaws and service rules and regulations so long as said amendments or changes apply to all members of the Corporation or all members in a certain class of the Corporation uniformly.

It is specifically contemplated under this Agreement that the rates for the service rendered hereunder may go up or down and thus the _____, and/or NEM-1

Rate Schedules may go up or down based upon the rate under which the Corporation purchases electric power energy at wholesale and other costs of the Corporation, and Member Generator specifically agrees to be bound by such increases or decreases for the term of this contract as long as uniformly applied to the rate schedule(s) under which Member Generator is purchasing power.

23. **Membership** — The Member Generator, prior to, or on or as of, the effective date of this Agreement, if not already such, will become a member of the Corporation, will pay the membership fee required by the Corporation, and will otherwise be bound by the Corporation's Articles of Incorporation, Bylaws and Service Rules and Regulations as the same now existing, or except as provided in Section 22 hereof, as may from time to time be amended.

24. **Limitations (No Third-Party Beneficiaries, Waiver, etc.)** — This Interconnection 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/or power supplier and/or transmission supplier, and the obligations herein assumed are solely for the use and benefit of the Parties and/or power supplier and/or transmission supplier. This Interconnection Agreement may not be assigned by the Member Generator without the prior written consent of the Corporation as specified in Section 19. The failure of a Party to this Interconnection Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Agreement will not be considered to waive the obligations, rights or duties imposed upon the Parties.

25. **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.

26. **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.

SIGNATURE PAGE(S) TO FOLLOW

**MIDDLE GEORGIA ELECTRIC
MEMBERSHIP CORPORATION**

President/CEO Name

President/CEO Signature

Witness Name

Witness Signature

MEMBER GENERATOR

Member Generator Name

Member Generator Signature

Witness Name

Witness Signature

EXHIBIT 1
To
DESCRIPTION OF FACILITIES AND POINT OF INTERCONNECTION

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

[The following information is to be specified for each Point of Interconnection]

- 1. Name:
- 2. Facilities location:
- 3. Delivery voltage:
- 4. Metering (voltage, location, losses adjustment due to metering location, and other):
- 5. Normal Operation of Interconnection:
- 6. One line diagram attached
- 7. Facilities to be furnished by Corporation:
- 8. Facilities to be furnished by Member:
- 9. Cost Responsibility:
- 10. Control area interchange point
- 11. Supplemental terms and conditions attached
- 12. A completed Member-Owned Generating Facility and Interconnection Application.
- 13. Corporation's special requirements for notice for connection and disconnection
- 14. Initial testing documentation acceptable to Corporation.

**MIDDLE GEORGIA ELECTRIC
MEMBERSHIP CORPORATION**

[MEMBER GENERATOR]

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____