North West Rural Electric Cooperative

LEVEL 1:
STANDARD APPLICATION FORM AND INTERCONNECTION AGREEMENT

Interconnection Request Application Form and Conditional Agreement to Interconnect
(For Lab-Certified Inverter-Based Distributed Generation Facilities 50 kVA or Smaller)

AN APPLICATION FEE OF **$250** MUST BE SUBMITTED WITH THE APPLICATION.
An Interconnection Fee of $500 must be paid when the interconnection is completed.

Interconnection Applicant Contact Information

Name: _____
Mailing Address:_____
City:_____ State: _____ Zip: _____
Phone (Daytime):_____ Phone (Evening): _____
Fax Number:_____ Email Address: _____

Alternate Contact Information (if different from Applicant):

Name: _____
Mailing Address:_____
City:_____ State: _____ Zip: _____
Phone (Daytime):_____ Phone (Evening): _____
Fax Number:_____ Email Address: _____

Equipment Contractor:

Name: _____
Mailing Address:_____
City:_____ State: _____ Zip: _____
Phone (Daytime):_____ Phone (Evening): _____
Fax Number:_____ Email Address: _____
License Number (if applicable):_____ Active License (is applicable): ___Yes ___No

Electrical Contractor (if different from Equipment Contractor):

Name: _____
Mailing Address:_____
City:_____ State: _____ Zip: _____
Phone (Daytime):_____ Phone (Evening): _____
Fax Number:_____ Email Address: _____
License Number (if applicable):_____ Active License (is applicable): ___Yes ___No

Intent of Generation

Please explain the intended use of the generation to be produced by the facility:

— Offset Load (Unit will operate in parallel, but will not export power to Cooperative or G&T) (If this option is selected, neither the Cooperative nor the G&T will purchase any portion of the generation facility output and Attachment 2 is not applicable)

— Self-Use and Sales to the G&T (Unit will operate in parallel and may export and sell excess power to G&T pursuant to the Cooperative's and G&T's Joint PURPA Implementation Plan under the terms set forth in Attachment 2, which attachment must be executed by Cooperative and G&T). [Cooperative and G&T have developed a net metering option for certain facilities as described in Attachment 2.]

— Sell all output to the G&T pursuant to the following special rate (specify applicable rate):
_____

— Back-up Generation (Units that temporarily operate in parallel with the electric distribution system for more than 100 milliseconds)
(Note: Back-up units that do not operate in parallel for more than 100 milliseconds do not need an interconnection agreement.)(Under this option, the Cooperative will not purchase any portion of the generation facility output and Attachment 2 is not applicable)

— Other: (Please Explain): _____

Note: The Cooperative is a Member of Northwest Iowa Power Cooperative (G&T) and the Cooperative and G&T are parties to a Joint PURPA Implementation Plan filed with FERC pursuant to which any purchase from a Qualifying Facility is to be made by G&T rather than Cooperative.

Distributed Generation Facility ("Facility") Information

Facility Address: _____
City:_____ State: _____ Zip: _____
Cooperative Serving Facility Site: _____
Account Number of Facility Site (existing cooperative member-consumers):_____
Inverter Manufacturer:_____ Model: _____

Is the inverter lab-certified as that term is defined in Iowa Utilities Board Chapter 45 rules on Electric Interconnection of Distributed Generation (199 IAC 45.1)? Yes ___ No ___

(If yes, attach manufacturer's technical specifications and label information from a nationally recognized testing laboratory.)

Generation Facility Nameplate Rating: _____(kW) _____ (kVA) _____(AC Volts)

Energy Source: Wind ____ Solar ____ Biomass ____ Hydro ____ Diesel ____
Natural Gas ___ Fuel Oil ___ Other: _____

Energy Converter Type: Wind Turbine ____ Photovoltaic Cell ____ Fuel Cell ____
Reciprocating Engine ____ Other: _____

Commissioning Test Date: _____

(If the Commissioning Test Date changes, the interconnection member-consumer must inform the Cooperative as soon as it is aware of the changed date.)

Disconnect Switch: Identify type and location of disconnect switch: _____

_____

Insurance Disclosure

The attached terms and conditions contain provisions related to liability and indemnification and should be carefully considered by the interconnection member-consumer. **The interconnection member-consumer shall carry general liability insurance coverage, such as, but not limited to, homeowner's insurance.**

Other Facility Information

One-Line Diagram – A basic drawing of an electric circuit in which one or more conductors are represented by a single line and each electrical device and major component of the installation, from the generator to the point of interconnection, are noted by symbols. One-Line Diagram attached: ___ Yes

Plot Plan – A map showing the distributed generation facility's location in relation to streets, alleys, or other geographic markers. Plot Plan attached: ___ Yes

Customer Signature

I hereby certify that: (1) I have read and understand the terms and conditions, which are attached hereto by reference; (2) I hereby agree to comply with the attached terms and conditions; and (3) to the best of my knowledge, all of the information provided in this application request form is complete and true.

Applicant Signature: _____

Title:_____ Date: _____

……..……..……

This Application Form and Interconnection Agreement is comprised of: 1) the Level 1 Standard Application Form and Interconnection Agreement; 2) the Attachment 1 setting forth the Terms and Conditions for Interconnection; 3) the Attachment 2 setting forth the terms for purchases by the G&T from the distributed generation facility, when applicable; and 4) the Certificate of Completion

NOTE: If the Certificate of Completion is not completed and returned to the Cooperative within 12 months following the Cooperative's dated conditional agreement to interconnect below, this Application Form and Interconnection Agreement will automatically terminate and be of no further force and effect.

……..……..……

Conditional Agreement to Interconnect Distributed Generation Facility

Receipt of the application fee, if any, is acknowledged and, by its signature below, the Cooperative has determined the interconnection request is complete. Interconnection of the distributed generation facility is conditionally approved contingent upon the attached terms and conditions of this Agreement, the return of the attached Certificate of Completion, duly executed verification of electrical inspection and successful witness test. Note that to the extent the Interconnection Customer wishes G&T to purchase any output from the interconnected generation facility, attachment 2 shall be applicable and the same shall be executed by the Interconnection Customer, Cooperative, & G&T.

Cooperative Signature: _____Date: _____

Name:_____ Title: _____

ATTACHMENT 1
Level 1: Standard Interconnection Agreement

Terms and Conditions for Interconnection

1) Construction of the Distributed Generation Facility. The interconnection member-consumer may proceed to construct (including operational testing not to exceed 2 hours) the distributed generation facility, once the conditional Agreement to interconnect a distributed generation facility has been signed by the Cooperative.

2) Final Interconnection and Operation. The interconnection member-consumer may operate the distributed generation facility and interconnect with the Cooperative's electric distribution system after all of the following have occurred:
   a. Electrical Inspection: Upon completing construction, the interconnection member-consumer shall cause the distributed generation facility to be inspected by the local electrical inspection authority who shall establish that the distributed generation facility meets local code requirements.
   b. Certificate of Completion: The interconnection member-consumer shall provide the Cooperative with a copy of the Certificate of Completion with all relevant and necessary information fully completed by the interconnection member-consumer, as well as an inspection form from the local electrical inspection authority demonstrating that the distributed generation facility passed inspection.
   c. The Cooperative has completed its witness test as per the following:
      i. The interconnection member-consumer shall provide the Cooperative at least 15 business days' notice of the planned commissioning test for the distributed generation facility. Within 10 business days after the commissioning test, the Cooperative may, upon reasonable notice and at a mutually convenient time, conduct a witness test of the distributed generation facility to ensure that all equipment has been appropriately installed and operating as designed and in accordance with the requirements of IEEE 1547.
      ii. If the Cooperative does not perform the witness test within the 10 business days after the commissioning test or such other time as is mutually agreed to by the Parties, the witness test is deemed waived, unless the Cooperative cannot do so for good cause. In these cases, upon Cooperative request, the interconnection member-consumer shall agree to another date for the test within 10 business days after the original scheduled date.

3) IEEE 1547. The distributed generation facility shall be installed, operated and tested in accordance with the requirements of The Institute of Electrical and Electronics Engineers, Inc. (IEEE), 3 Park Avenue New York, NY 10016-5997, Standard 1547 (2003) "Standard for Interconnecting Distributed Resources with Electric Power Systems," as well as any applicable federal, state, or local laws, regulations, codes, ordinances, orders, or similar directives of any government or other authority having jurisdiction.

4) Access. The Cooperative must have access to the isolation device or disconnect switch and metering equipment of the distributed generation facility at all times. When practical, the Cooperative shall provide notice to the member-consumer prior to using its right of access.

5) Metering. Any required metering shall be installed pursuant to the Cooperative's metering rules filed with the Iowa Utilities Board under subrule 199 IAC 20.2(5).

6) Disconnection. The Cooperative may disconnect the distributed generation facility upon any of the following conditions, but must reconnect the distributed generation facility once the condition is cured:
    a. For scheduled outages, provided that the distributed generation facility is treated in the same manner as Cooperative's load member-consumers;
    b. For unscheduled outages or emergency conditions;
    c. If the distributed generation facility does not operate in the manner consistent with this Agreement or the applicable requirements of 199 IAC Chapters 15 or the Cooperative's tariff;
    d. Improper installation or failure to pass the witness test;
    e. If the distributed generation facility is creating a safety, reliability or a power quality problem;
    f. The interconnection equipment used by the distributed generation facility is de-listed by the Nationally Recognized Testing Laboratory that provided the listing at the time the interconnection was approved;
    g. Unauthorized modification of the interconnection facilities or the distributed generation facility; or
    h. Unauthorized connection to the Cooperative's electric system.

7) Indemnification. The interconnection member-consumer shall indemnify and defend the Cooperative and the Cooperative's directors, officers, employees, and agents from all claims, damages and expenses, including reasonable attorney's fees, to the extent resulting from the interconnection member-consumer's negligent installation, operation, modification, maintenance, or removal of its distributed generation facility or interconnection facilities, or the interconnection member-consumer's willful misconduct or breach of this Agreement. The Cooperative shall indemnify and defend the interconnection member-consumer and the interconnection member-consumer's directors, officers, employees, and agents from all claims, damages, and expenses, including reasonable attorney's fees, to the extent resulting from the Cooperative's negligent installation, operation, modification, maintenance, or removal of its interconnection facilities or electric distribution system, or the Cooperative's willful misconduct or breach of this Agreement.

8) Insurance. The interconnection member-consumer shall provide the Cooperative with proof that it has a current homeowner's insurance policy or other general liability policy. The interconnection member-consumer agrees to provide the Cooperative with at least 30 calendar days' advance written notice of cancellation, reduction in limits, or non-renewal of any insurance policy required by this Agreement and may be required to show proof of insurance on an annual basis.

9) Limitation of Liability. Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, provided that in no event shall death, bodily injury or third-party claims be construed as indirect or consequential damages.

10) Termination. This Agreement will remain in effect until terminated and may be terminated under the following conditions:
    a. By interconnection member-consumer - The interconnection member-consumer may terminate this interconnection agreement by providing written notice to the Cooperative. If

the interconnection member-consumer ceases operation of the distributed generation facility, the interconnection member-consumer must notify the Cooperative.

b. By the Cooperative - The Cooperative may terminate this Agreement without liability to the interconnection member-consumer if the interconnection member-consumer fails to remedy a violation of terms of this Agreement within 30 calendar days after notice, or such other date as may be mutually agreed to in writing prior to the expiration of the 30 calendar day remedy period. The termination date may be no less than 30 calendar days after the interconnection member-consumer receives notice of its violation from the Cooperative.

11) Modification of Distributed Generation Facility. The interconnection member-consumer must receive written authorization from the Cooperative before making any changes to the distributed generation facility that could affect the Cooperative's distribution system. If the interconnection member-consumer makes such modifications without the Cooperative's prior written authorization, the Cooperative shall have the right to disconnect the distributed generation facility.

12) Permanent Disconnection. In the event the Agreement is terminated, the Cooperative shall have the right to disconnect its facilities or direct the interconnection member-consumer to disconnect its distributed generation facility.

13) Disputes. Each Party agrees to attempt to resolve all disputes regarding the provisions of this Agreement that cannot be resolved between the two Parties pursuant to the dispute resolution provisions found in Iowa Utilities Board Chapter 45 rules on Electric Interconnection of Distributed Generation Facilities (199 IAC 45.12). However, Cooperative's agreement to utilize the dispute resolution provisions of the Chapter 45 rules shall not be construed as an agreement concerning the applicability of the balance of said Chapter.

14) Governing Law, Regulatory Authority, and Rules. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Iowa. Nothing in this Agreement is intended to affect any other agreement between the Cooperative and the interconnection member-consumer.

15) Survival Rights. This Agreement shall remain in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

16) Assignment/Transfer of Ownership of the Distributed Generation Facility. This Agreement shall terminate upon the transfer of ownership of the distributed generation facility to a new owner unless the transferring owner assigns the Agreement to the new owner, the new owner agrees in writing to the terms of this Agreement, and the transferring owner so notifies the Cooperative in writing prior to the transfer of ownership.

17) Definitions. Any term used herein and not defined shall have the same meaning as the defined terms used in Iowa Utilities Board Chapter 45 rules on Electric Interconnection of Distributed Generation Facilities (199 IAC 45.1). However, Cooperative's agreement to utilize the definitions found in the Chapter 45 rules shall not be construed as an agreement concerning the applicability of the balance of said Chapter.

18) Notice. The Parties may mutually agree to provide notices, demands, comments, or requests by electronic means such as e-mail. Absent agreement to electronic communication, or unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement shall be deemed properly given when receipt is

confirmed after notices are delivered in person, delivered by recognized national courier service, or sent by first-class mail, postage prepaid, return receipt requested to the person specified below:

If Notice is to Interconnection Customer:

Use the contact information provided in the interconnection member-consumer's application. The interconnection member-consumer is responsible for notifying the Cooperative of any change in the contact party information, including change of ownership.

If Notice is to Cooperative:

Use the contact information provided below. The Cooperative is responsible for notifying the interconnection member-consumer of any change in the contact party information.

Name: _____
Mailing Address: _____
City:_____ State: _____ Zip: ____
Phone (Daytime):_____ Phone (Evening): _____
Fax Number:_____ Email Address:_____

19) Interruptions. The Cooperative is not responsible for any lost opportunity or other costs incurred by the interconnection member-consumer as a result of an interruption of service.

20) Operator. The interconnection member-consumer shall designate an operator who will be responsible for day-to-day operations of the distributed generation facility and available for communication on a 24 hour per day/7 day per week basis with Cooperative, G&T, the Local Balancing Authority, and other applicable entities with jurisdiction over the operation of the Facility and Cooperative's System.

ATTACHMENT 2
Level 1: Standard Interconnection Agreement

Terms of G&T Purchases from Distribution Facility

1. Agreement to Purchase.

   Cooperative is a member of Northwest Iowa Power Cooperative (G&T) and obtains all of its wholesale power from G&T. The Cooperative and G&T have filed a Joint Implementation Plan with the Federal Energy Regulatory Commission ("FERC") which provides for coordinated implementation of the obligations of G&T and Cooperative relative to qualifying facilities. Pursuant to said Plan, Cooperative agrees to provide to any qualifying facility in its service territory supplementary, backup, maintenance, and interruptible power and G&T agrees to purchase energy and capacity from said facility, all in accordance with the requirements of the Public Utilities Regulatory Policies Act ("PURPA"). In the event the Interconnecting Customers selects the option of Self-Use and Sales to the G&T on the Application Form, then the G&T agrees to purchase from the Interconnection Customer such excess energy and capacity as may be available for purchase from the Interconnection Customer's facility and which Interconnection Customer desires to sell to the G&T. The G&T acknowledges that Interconnection Customer may utilize some of the energy Interconnection Customer generates as it is being generated and the G&T understands that it will only purchase such excess as Interconnection Customer delivers to Cooperative. In the event the Interconnecting Customers selects the option of selling all output to the G&T under one of the special rate options on the Application Form, then the G&T agrees to purchase from the Interconnection Customer all energy and capacity from the Interconnection Customer's facility.

2. Rates
   Payment for purchases from the member-consumer pursuant to this contract shall be as follows (Select One):
   ____ Qualifying Facility Generation Purchase Rate under PURPA.
   ____ Small Renewable Energy Purchase Rate (Customer keeps Green Tags).
   ____ Small Renewable Energy Purchase Rate (Customer does not keep Green Tags).

3. Metering. The Cooperative or G&T will install metering equipment at the point of service to the QF Facility of one of the following types:
   a. Metering capable of measuring and recording energy flows, on a kWh basis, from the Cooperative to the QF and from the QF to the Cooperative's facilities, with each directional energy flow recorded independently.
   b. Metering capable of measuring power flows in each direction on an hourly or other real-time basis.

   The Cooperative shall have the opportunity to collect all reasonable costs of metering necessary to allow for sales to the G&T from the Member-Consumer.

4. Net Metering Option:
   (This option is only available to QF's that are member-owned with a nameplate capacity rating of up to 50 kW (alternating current (AC)) and that are sized according to the member-consumer's average monthly KW demand load. The individual availability is subject to an overall cap on the Cooperative's system of 500 kW of nameplate capacity.)

The Cooperative's interruptible electric heat and all electric heat rates are not available for member-consumer's who elect to utilize net metering.

5. Calculation of Net Metering Bill. The QF shall be responsible for payment of any applicable service charge or other applicable charges approved by the Board of Directors that are not collected on the basis of metered registration.

   For charges collected on the basis of metered registration, the Cooperative shall, for each monthly billing period, determine the net meter registration of the QF by comparing the directional energy flow in each direction.

   If the net meter registration shows that the deliveries of energy in kWh from the QF to the Cooperative exceed the deliveries of energy in kWh from the Cooperative to the QF, the net meter registration in kWh will be carried forward to the next monthly billing period as a Net Metering Credit, expressed in kWh. If the QF has carried over a Net Metering Credit from one or more prior months, the net meter registration from the current month shall be added to the Net Metering Credit that exists from prior months.

   If the net metering registration shows that deliveries of energy in kWh from the Cooperative to the QF exceed the deliveries of energy in kWh from the QF to the Cooperative, the QF shall pay the Cooperative for the net amount of energy delivered by the Cooperative after application of any Net Metering Credit carried forward from previous months at the rate applicable to its type or class of electric service.

   The Cooperative shall not be required to convert the Net Metering Credit to cash at any time during the year; however, the total Net Metering Credit existing at the end of each year, expressed in kWh, shall be converted to cash at the rate set forth in the applicable NIPCO Rate Schedules, as they may be amended from time to time. The rate shall be at least equal to NIPCO's avoided cost as defined in the PURPA regulations. A copy of the rate schedules are available upon request.

6. Disposition of Renewable Energy Credits in the Net Metering Scenario. The net metering arrangement provided to Member-Consumer herein is for the purposes of promoting small-scale renewable generation facilities, such as the facility owned by Member-Consumer. The parties agree that all kWh's delivered by the QF to the Cooperative shall be deemed to have been purchased by G&T at the point of delivery, even though the Cooperative shall have given the Member-Consumer Net Metering Credits rather than a cash payment for the same. In addition, such purchases shall include the purchase of any "green tags," renewable energy credits, or other environmental attributes associated with the purchase of renewable energy.

7. Term. The agreement to purchase as described in this attachment shall become effective on the date and year the Standard Application Form and Interconnection Agreement is executed by the parties, and it shall remain in effect for a term of two (2) years from and after the commencement of the initial billing period. This agreement shall thereafter continue for successive terms of one (1) year each, for a maximum total period of five (5) years, unless terminated by either party giving the other not less than three (3) months' written notice of its desire to terminate this Agreement. In no event shall the agreement to purchase extend beyond the date of the Interconnection Agreement, and in the event the Interconnection Agreement is terminated, the agreement to purchase as described in this attachment shall also be terminated.

SIGNATURE PAGE

The undersigned parties agree to the terms and conditions of this Attachment 2.

North West Rural Electric Cooperative
Signature: _____
Print Name:_____ Date: _____

Northwest Iowa Power Cooperative
Signature: _____
Print Name:_____ Date: _____

Member-Consumer
Signature: _____
Print Name:_____ Date: _____