

**DISTRIBUTED RESOURCE  
INTERCONNECTION AND SMALL RENEWABLE ENERGY  
POWER PURCHASE AGREEMENT  
(Less Than 150 kW)**

This Distributed Resource Interconnection and Small Renewable Power Purchase Agreement (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by, Southeastern Electric Cooperative, Inc., (“Cooperative”), a corporation organized under the laws of South Dakota, and \_\_\_\_\_ (“DR Owner/Operator”), each hereinafter sometimes referred to individually as “Party” or both referred to collectively as the “Parties”. In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement:** This Agreement is applicable to conditions under which the Cooperative and the DR Owner/Operator agree that the distributed resource facility with a nameplate rating of \_\_\_\_\_ kW and an interconnection voltage of \_\_\_\_\_ volts, and as further described in Exhibit A attached hereto and incorporated into this Agreement by reference, (“DR Facility”) may be operated electrically interconnected to the Cooperative’s electrical power system (“EPS”). The term "Cooperative" shall also include any designated agent. This Agreement is applicable to distributed resource facilities directly connected to the Cooperative’s electrical system.

2. **Establishment of Point of Interconnection:** The point where the electrical facilities of the Cooperative electrically connect to the electric facilities of the DR Owner/Operator is the “Point of Interconnection” as shown in Exhibit B attached hereto and incorporated into this Agreement by reference. The Cooperative and DR Owner/Operator agree to interconnect the DR Facility at the Point of Interconnection in accordance with the Cooperative’s engineering and technical requirements (“Interconnection Requirements”) which are incorporated herein by reference. The interconnection equipment installed by the DR Owner/Operator (“DR Interconnection Facilities”) shall be in accordance with the Interconnection Requirements as well.

3. **Responsibilities of Cooperative and DR Owner/Operator for Installation, Operation and Maintenance of Facilities:**

- a. DR Owner/Operator will, at its own cost and expense, install, operate, maintain, repair, and inspect, and shall be fully responsible for its DR Facility and DR Interconnection Facilities, unless otherwise specified on Exhibit A. DR Owner/Operator shall conduct operations of its DR Facility and DR Interconnection Facilities in compliance with all aspects of the Interconnection Requirements and in accordance with industry standard prudent engineering practices. The Cooperative shall conduct operations of its EPS facilities in compliance with the Interconnection Requirements, and as further described and mutually agreed to in Exhibit A. Maintenance of DR Facility and DR Interconnection Facilities shall be performed in

accordance with the applicable manufacturers' recommended maintenance schedule and Prudent Utility Practices. The DR Owner/Operator agrees to cause its DR Facility and DR Interconnection Facilities to be constructed in accordance with the Interconnection Requirements and 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.

- b. The DR Owner/Operator covenants and agrees to cause the design, installation, maintenance, and operation of its DR Facility and DR Interconnection Facilities so as to reasonably minimize the likelihood of a malfunction or other disturbance, damaging or otherwise affecting or impairing the EPS.
- c. DR Owner/Operator shall comply with all applicable laws, regulations, zoning codes, building codes, safety rules and environmental restrictions applicable to the design, installation, operation and maintenance of its DR Facility and DR Interconnection Facilities. The DR Owner/Operator shall be solely responsible for obtaining current information on such requirements.
- d. Cooperative will promptly notify DR Owner/Operator if there is evidence that the DR Facility's or DR Interconnection Facilities' operation causes disruption or deterioration of service to other customers served from the EPS or if the DR Facility's or DR Interconnection Facilities' operation causes damage to the EPS. DR Owner/Operator will promptly notify the Cooperative of any emergency or hazardous condition or occurrence with the DR Facility or DR Interconnection Facilities, which could affect safe operation of the EPS.

#### **4. Initial Testing and Inspection:**

- a. The DR Owner/Operator shall provide to the Cooperative all records of testing for the DR Facility and DR Interconnection equipment. These records shall include testing at the start of commercial operation and periodic testing thereafter. The settings of the equipment being installed are to be approved by the Cooperative prior to DR operation.
- b. A Cooperative representative(s) may elect to oversee operability checkout of the Customer's equipment, including but not limited to metering, relay settings and tests and protective device operation (including, without limitation, circuit breakers and motor operated disconnect(s) and the Customer, at its expense, shall make changes and modifications as reasonably required to ensure the safe and reliable operation of its equipment in accordance with Prudent Utility Practices. Such checkout tests are for the purposes of assuring the protection and operation of the Cooperative's electric system and in no way represent any assurance of protection and operation of the Customer's electric system.

- c. Final electrical connections between the Cooperative Interconnection Facilities and the DR Interconnection Facilities shall be made by the Cooperative.

5. **Operator in Charge:** The DR Owner/Operator shall identify an individual (by name or title) who will perform as “Operator in Charge” of the DR Facility and the DR Interconnection Facilities. This individual must be familiar with this Agreement as well as the Interconnection Requirements and any other agreements or regulations that may apply.

6. **Metering:**

- a. The Cooperative shall purchase, own, install, maintain and read such metering equipment as may be necessary to meter the electrical demand and energy input and output of the DR Facility. The metering requirements and the cost responsibilities associated with the metering are defined in Exhibit A.
- b. The metering shall be tested by the Cooperative on a scheduled basis. Should the metering equipment at any time fail to register proper amounts or should the registration thereof be so erratic as to be meaningless, the capacity and energy delivered shall be determined by the Cooperative from the best information available.
- c. The meter shall be compensated to adjust the meter readings to the Point of Interconnection.

7. **Right of Access, Equipment Installation, Removal & Inspection:** The Cooperative may send an employee, agent or contractor to the premises of the DR Owner/Operator at any time whether before, during or after the time the DR Facility first produces energy to inspect the DR Facility and DR Interconnection Facilities, and observe the DR Facility’s installation, commissioning (including any testing), startup, operation, and maintenance. At any time Cooperative shall have access to DR Owner/Operator’s premises for any reasonable purpose in connection with the interconnection described in this Agreement, the Interconnection Requirements, or to provide service to its customers.

8. **Power Quality:** The DR Owner/Operator shall comply with IEEE Standard 519 and shall not operate any equipment that (a) imposes power quality problems upon the Cooperative’s electric system that materially interferes with the Cooperative’s operations, service to its members, or communications facilities, or (b) causes objectionable voltage flicker to the Cooperative’s customers. If such material interference occurs, the DR Owner/Operator shall diligently pursue corrective action at its own expense. The Cooperative may disconnect the Facilities from the Cooperative’s electric system until the material interference problem is corrected.

9. **Disconnection of Facilities:**

- a. DR Owner/Operator shall disconnect the DR Facility from the EPS upon the effective date of any termination resulting from and required by actions under Section 14.
- b. Cooperative shall have the right to disconnect or cause the DR Owner/Operator to disconnect the DR Facility from the EPS:
  - i. To operate, construct, install, maintain, repair, replace, remove or inspect any of the Cooperative's equipment or facilities;
  - ii. In connection with a condition likely to result in damage to the Cooperative's equipment or if the Cooperative deems such curtailment is necessary to protect life or property;
  - iii. If the Cooperative is required to do so by its power supplier, transmission operator or others having jurisdiction;
  - iv. If the quality of the power delivered to the Cooperative's facilities does not meet the requirements set forth in Section 8 or;
  - v. Upon termination of this Agreement;
- c. The Cooperative shall use reasonable efforts to provide reasonable prior written notice and coordination of any disconnection of the DR Facility.

10. **Interconnected Operation of DR Facility:** The DR Owner/Operator can only operate the DR Facility interconnected with the Cooperative in accordance with this Agreement and attached Exhibits, the Interconnection Requirements, and the requirements of the Cooperative's wholesale power suppliers, Southwest Power Pool (SPP), and others having jurisdiction over distributed generation interconnected to the EPS. The Cooperative and the DR Owner/Operator shall comply with all requirements of the SPP with respect to distributed generation.

11. **Power Sales to Cooperative:** Cooperative agrees to purchase the energy output of the DR Owner/Operator's DR Facility based on the Cooperative's electric distributed resource purchase rate set forth in Exhibit C attached hereto and incorporated into this Agreement by reference, and the DR Owner/Operator agrees to sell the energy output exclusively to the Cooperative.

12. **Limitation of Liability and Indemnification:**

- a. Notwithstanding any other provision in this Agreement, with respect to the Cooperative's provision of electric service to DR Owner/Operator and the services provided by the Cooperative pursuant to this Agreement, Cooperative's liability to DR Owner/Operator shall be limited as set forth in the Cooperative's tariffs and terms and conditions for electric service, which are incorporated herein by reference.

- b. For the purposes of this 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, terrorism, public disorder, rebellion or insurrection; floods, hurricanes, earthquakes, lighting, storms or other natural calamities; explosions or fires; strikes, work stoppages or labor disputes; embargoes; and sabotage. If a Force Majeure event prevents a party from fulfilling any obligations under this agreement, such party will promptly notify the other party in writing and will keep the other party informed on a continuing basis as to the scope and duration of the Force Majeure event. The affected party will specify the circumstances of the Force Majeure event, its expected duration and the steps that the affected party is taking to mitigate the effect of the event on its performance. The affected party will be entitled to suspend or modify its performance of obligations under this Agreement but will use reasonable efforts to resume its performance as soon as possible.
- c. The DR Owner/Operator agrees to indemnify and hold harmless the Cooperative from any claims, demands, costs, losses, causes of action, damages or liability of whatsoever kind or nature, arising out of or resulting from the construction, operation, or maintenance of the DR Owner/Operator's DR facility; and the Cooperative agrees to indemnify and hold harmless the DR Owner/Operator from any claims, demands, costs, losses, causes of action, damage or liability of whatsoever kind or nature, arising out of or resulting from the construction, operation, or maintenance of the Cooperative's facilities.
- d. Cooperative and DR Owner/Operator shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines, wires, switches, or other equipment or property on their respective sides of the Point of Interconnection. The Cooperative does not assume any duty of inspecting the DR Owner/Operator's lines, wires, switches, or other equipment or property and will not be responsible, therefore. DR Owner/Operator assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the Point of Interconnection.

13. **Insurance:** DR Owner/Operator shall carry liability insurance in the amount of \$1 million and shall furnish the Cooperative with a Certificate of Insurance annually that includes the type of coverage, coverage amount and a 30 calendar days' written notice to the Cooperative prior to cancellation, termination, alteration, or material changes of the insurance.

14. **Compliance with Laws, Rules and Tariffs:** Both the Cooperative and the DR Owner/Operator shall be responsible for complying with any federal, state or local laws, and the Interconnection Requirements. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the

Interconnection Requirements, which Interconnection Requirements are hereby incorporated into this Agreement by this reference. The Cooperative shall have the right to change any of the Interconnection Requirements at any time.

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 the Parties.

17. **Entirety of Agreement and Prior Agreements Superseded:** This Agreement, including the Interconnection Requirements and all attached Exhibits, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. 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 or in the DR Owner/Operator application, or other written information provided by the DR Owner/Operator in compliance with the Interconnection Requirements. 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 Agreement.

18. **Assignment:** At any time during the term of this Agreement, the DR Owner/Operator may assign this Agreement to a corporation, an entity with limited liability or an individual (the "Assignee") to whom the DR Owner/Operator transfers ownership of the DR Facility; provided that the DR Owner/Operator obtains the written consent of the Cooperative, which shall not be unreasonably withheld, in advance of the assignment. The company or individual to which this Agreement is assigned will be responsible for the proper operation and maintenance of the DR Facility and must agree in writing to be subject to all provisions of this Agreement. Cooperative may also assign the Agreement to another entity with the written approval of the DR Owner/Operator. The Cooperative may assign this Agreement with the written consent of the DR Owner/Operator which shall not be unreasonably withheld.

19. **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 Cooperative:

Southeastern Electric Cooperative, Inc.  
PO Box 388  
Marion, SD 57043-0388

(b) If to DR Owner/Operator:

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

20. **Term:** This Agreement shall take effect \_\_\_\_\_, 20\_\_ and shall remain in effect for \_\_\_\_\_ seasons (as defined in Exhibit C) or five (5) year(s) at which time the Agreement shall terminate unless mutually agreed upon by the parties. This Agreement may be terminated as follows: (a) Cooperative may terminate upon failure by the DR Owner/Operator to generate energy from the DR Facility and deliver such energy to the Cooperative within six (6) months after completion of the interconnection; (b) either Party may terminate by giving the other Party at least thirty (30) days prior written notice that the other Party is in default of any of the terms and conditions of the Agreement or the interconnection requirements or any rate schedule, tariff, regulation, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (c) The Cooperative may terminate if transmission service or network resource accreditation cannot be obtained or if upgrades to the existing transmission system would be required to obtain them as per Section 10b; (d) Cooperative may terminate by giving DR Owner/Operator at least sixty (60) days' notice in the event that there is a material change in an applicable law, or any requirement of the Cooperative's wholesale power suppliers, SPP or of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the EPS; or (e) DR Facility fails to deliver measurable energy to the Point of Interconnection for a twelve (12) month period.

21. **Limitations (No Third-Party Beneficiaries, Waiver, etc.):** This 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 the obligations herein assumed are solely for the use and benefit of the Parties. This Agreement may not be assigned by the DR Owner/Operator without the prior written consent of the Cooperative as specified in Section 20. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

22. **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.

23. **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.

24. **Governing Law:** This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and shall be governed by the laws of the State of South Dakota.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

SOUTHEASTERN ELECTRIC CO-OP

[DR OWNER/OPERATOR NAME]

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**EXHIBIT A  
DESCRIPTION OF DISTRIBUTED RESOURCE FACILITY**

1. Name:
2. Location:
3. Description of distributed resource (make, model):
4. Interconnected capacity (kW):
5. Interconnection voltage:
6. Metering (type, voltage, location, loss adjustments, other):
7. Telemetry
  - a. Required telemetry data:
  - b. Telemetry equipment and telecommunication method:
8. Facilities to be furnished by Cooperative:
9. Cost responsibilities and facilities to be furnished by DR Owner/Operator:
  - a. Transmission Interconnection/accreditation application, study, and approval process:
  - b. Transmission/distribution services
  - c. Distributed Resource testing and accreditation
  - d. Engineering review, checkout, and approval of interconnection equipment and protective devices and settings:
  - e. Interconnection facilities
  - f. Metering
  - g. Telemetry
  - h. Transmission/distribution system upgrades and additions
  - i. Other:

SOUTHEASTERN ELECTRIC CO-OP

[DR OWNER/OPERATOR NAME]

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**EXHIBIT B**  
**ONE LINE DIAGRAM OF POINT OF INTERCONNECTION**

**EXHIBIT C**  
**DISTRIBUTED GENERATION RENEWABLE RESOURCE PASS-THROUGH RATE**

Cooperative will pay DR Owner/Operator an energy payment for all energy delivered to the cooperative's system. Rates for the energy programs are as follows:

1. A monthly energy payment for all energy produced and delivered will be made at the following schedule:

<u>Year</u>	<u>Payment/KWh</u>
2023	\$0.0134 per kWh
2024	TBD
2025	TBD

The energy payments are subject to the DR Owner/Operator and the DR Facility meeting the following requirements and criteria as well as the requirements and criteria of the Agreement, other Exhibits, and the Interconnection Requirements:

2. The DR Owner/Operator may use the DR Facility to offset power and energy purchases from the Cooperative at the Point of Interconnection only.
3. The DR Facility shall be equipped with bi-directional energy metering. The metering shall be such that all power delivered to the Cooperative (net of the consumer's use) from the DR Facility shall be measured separately from power delivered from the Cooperative to the DR/Owner Operator. The meter measuring power delivered to the consumer shall not permit reduction of measured power already delivered to the DR/Owner Operator during periods when the DR Facility generation exceeds the DR/Owner Operator's demand. The meter may not run backwards.

SOUTHEASTERN ELECTRIC CO-OP

[DR OWNER/OPERATOR NAME]

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_