

HIGHLINE ELECTRIC ASSOCIATION GENERATION INTERCONNECTION AGREEMENT

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TABLE OF CONTENTS

| Article 1. So | cope and Limitations of Agreement | 1 - |
|--|---|---|
| 1.1 | Purpose | 1 - |
| 1.2 | No Agreement to Purchase or Deliver Power | |
| 1.3 | Limitations | 1 - |
| 1.4 | Responsibilities of the Parties | 1 - |
| 1.5 | Parallel Operation Obligations | 2 - |
| 1.6 | Metering | |
| 1.7 | Reactive Power | 3 - |
| Article 2. In | spection, Testing, Authorization, and Right of Access | 3 - |
| 2.1 | Equipment Testing and Inspection | 3 - |
| 2.2 | Authorization Required Prior to Parallel Operation. | 3 - |
| 2.3 | Right of Access | 4 - |
| Article 3. E | ffective Date, Term, Termination, and Disconnection | 4 - |
| 3.1 | Term of Agreement | 4 - |
| 3.2 | Termination | |
| 3.3 | Temporary Disconnection and Alternate Transmission Line Configuration | 5 - |
| | 3.3.1 Modification of the Small Generating Facility | |
| | 3.3.2 Reconnection | 5 - |
| | | |
| Article 4. C | ost Responsibility for Interconnection Facilities and Distribution Upgrades - | 5 - |
| Article 4. C 4.1 | ost Responsibility for Interconnection Facilities and Distribution Upgrades - Interconnection Facilities | |
| | | 5 - |
| 4.1 4.2 | Interconnection Facilities | 5 - 5 - |
| 4.1 4.2 | Interconnection Facilities Distribution Upgrades | 5 - 5 - 6 - |
| 4.1 4.2 Article 5. C | Interconnection Facilities Distribution Upgrades ost Responsibility for Network Upgrades | 5 - 5 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 | Interconnection Facilities Distribution Upgrades ost Responsibility for Network Upgrades Applicability | 5 - 5 - 6 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 | Interconnection Facilities Distribution Upgrades ost Responsibility for Network Upgrades Applicability System Upgrades | 5 - 5 - 6 - 6 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 | Interconnection Facilities Distribution Upgrades ost Responsibility for Network Upgrades Applicability System Upgrades 5.2.1 Repayment of Amounts Advanced for System Upgrades | 5 - 5 - 6 - 6 - 6 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 | Interconnection Facilities | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. Bi | Interconnection Facilities | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 6 - 6 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. Bi 6.1 | Interconnection Facilities | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 6 - 7 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. B 6.1 6.2 6.3 Article 7. A | Interconnection Facilities - Distribution Upgrades - ost Responsibility for Network Upgrades - Applicability - System Upgrades - 5.2.1 Repayment of Amounts Advanced for System Upgrades - Rights Under Other Agreements - illing, Payment, Milestones, and Financial Security - Billing and Payment Procedures and Final Accounting - Milestones - Financial Security Arrangements - ssignment, Liability, Indemnity, Force Majeure, Consequential Damages, an | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 6 - 7 - 7 - 7 - d |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. Bi 6.1 6.2 6.3 Article 7. A Defau | Interconnection Facilities - Distribution Upgrades - ost Responsibility for Network Upgrades - Applicability - System Upgrades - 5.2.1 Repayment of Amounts Advanced for System Upgrades - Rights Under Other Agreements - illing, Payment, Milestones, and Financial Security - Billing and Payment Procedures and Final Accounting - Milestones - Financial Security Arrangements - ssignment, Liability, Indemnity, Force Majeure, Consequential Damages, an alt - | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 6 - 7 - 7 - 7 - d 8 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. B 6.1 6.2 6.3 Article 7. A Defau 7.1 | Interconnection Facilities | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 7 - 7 - d 8 - 8 - |
| 4.1 4.2 Article 5. C 5.1 5.2 5.3 Article 6. Bi 6.1 6.2 6.3 Article 7. A Defau | Interconnection Facilities - Distribution Upgrades - ost Responsibility for Network Upgrades - Applicability - System Upgrades - 5.2.1 Repayment of Amounts Advanced for System Upgrades - Rights Under Other Agreements - illing, Payment, Milestones, and Financial Security - Billing and Payment Procedures and Final Accounting - Milestones - Financial Security Arrangements - ssignment, Liability, Indemnity, Force Majeure, Consequential Damages, an alt - | 5 - 5 - 6 - 6 - 6 - 6 - 6 - 7 - 7 - d 8 - 8 - 8 - 8 - |

| 7.4 | Consequential Damages9 - |
|-----------------------|---|
| 7.5 | Force Majeure |
| 7.6 | Default 10 - |
| Article 8. Ins | surance 10 - |
| Article 9. Co | onfidentiality 11 - |
| Article 10. T | 'axes 11 - |
| Article 11. M | fiscellaneous 11 - |
| 11.1 | Governing Law, Regulatory Authority, and Rules 11 - |
| 11.2 | Amendment 12 - |
| 11.3 | No Third-Party Beneficiaries 12 - |
| 11.4 | Waiver 12 - |
| 11.5 | Entire Agreement 12 - |
| 11.6 | Multiple Counterparts 12 - |
| 11.7 | No Partnership 12 - |
| 11.8 | Severability 12 - |
| 11.9 | Subcontractors 13 - |
| Article 12. N | lotices 13 - |
| 12.1 | General 13 - |
| 12.2 | Billing and Payment 14 - |
| 12.3 | Alternative Forms of Notice 14 - |
| 12.4 | Designated Operating Representative 14 - |
| 12.5 | Changes to the Notice Information 15 - |
| Article 13. S | ignatures 16 - |
| Attachmont 1 | – Description and Costs of the Generating Facility, Interconnection Facilities, and |
| Attachment 1 | Metering Equipment |
| Attachment 2 | – One-line Diagram Depicting the Generating Facility, Interconnection Facilities, |
| <u>rttdefinient 2</u> | Metering Equipment, and Upgrades |
| Attachment 3 | – Milestone Checklist |
| | - Additional Operating Requirements for HEA's Transmission or Distribution |
| | System and Affected Systems Needed to Support the Interconnection Customer's |
| | Needs |
| | |

<u>Attachment 5</u> – HEA's Description of System Upgrades and Best Estimate of Upgrade Costs



This Interconnection Agreement ("Agreement") is made and entered into this ______ day of ______, 20____, by Highline Electric Association ("HEA"), and ______ ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Highline Electric Association Information

Highline Electric Association 1300 S. Interocean Ave. P.O. Box 57 Holyoke, CO 80734 Phone: (970) 854-2236 Fax: (970) 854-3652

Interconnection Customer Information

| | ner: | |
|--------|--------|------|
| | | |
| City: | State: | Zip: |
| Phone: | Fax: | I |
| | | |

Interconnection Customer Application No:

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

Article 1. Scope and Limitations of Agreement

- 1.1 This Agreement governs the terms and conditions under which the Interconnection Customer's generating facility will interconnect with, and operate in parallel with, HEA's transmission or distribution system.
- 1.2 This Agreement does not constitute an agreement to purchase the Interconnection Customer's power. The purchase of power will be covered under separate agreements, if any. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable transmission provider.
- 1.3 Nothing in this Agreement is intended to affect any other agreement between HEA and the Interconnection Customer.
- 1.4 <u>Responsibilities of the Parties</u>
 - 1.4.1 The Parties shall perform all obligations of this Agreement in accordance with all applicable laws and regulations, operating requirements, and good utility practice.

- 1.4.2 The Interconnection Customer shall construct, interconnect, operate and maintain its generating facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, and in accordance with this Agreement, and with good utility practice.
- 1.4.3 The HEA shall construct, operate, and maintain its transmission and distribution system and interconnection facilities in accordance with this Agreement, and with good utility practice.
- 1.4.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code (NESC), the American National Standards Institute (ANSI), IEEE, Underwriter's Laboratory (UL), and operating requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design, install, maintain, and operate its generating facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of HEA and any affected systems.
- 1.4.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. For clarity, Highline owns the meter, meter base, main service disconnect breaker, and, whichever is applicable, the service mast attached to the meter base or the meter pedestal. The Interconnection Customer shall not remove, or allow to be removed, the tamperproof seal on the main service meter, nor attempt to operate or repair, or allow a third-party to operate or repair, HEA equipment, except that the Interconnection Customer may operate the main service breaker. HEA and the Interconnection Customer, as appropriate, shall provide interconnection facilities that adequately protect HEA's transmission and distribution system, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of interconnection facilities shall be delineated in the Attachments to this Agreement.
- 1.4.6 HEA shall coordinate with affected systems interconnected with the HEA transmission or distribution system to support the interconnection.
- 1.5 Parallel Operation Obligations

Once the generating facility has been authorized to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the generating facility in the applicable control area, including, but not limited

to: 1) the rules and procedures concerning the operation of generation set forth in the tariff, the HEA Generation Interconnection Procedure or by the applicable system operator(s) for HEA's transmission or distribution system and 2) the operating requirements set forth in Attachment 4 of this Agreement.

1.6 <u>Metering</u>

The Interconnection Customer shall be responsible for HEA's reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 1 and 2 of this Agreement. The Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and operating requirements.

1.7 <u>Reactive Power</u>

- 1.7.1 The Interconnection Customer shall design and operate the generating facility to maintain a composite power delivery at continuous rated power output at the point of interconnection at a power factor in accordance with the HEA Generation Interconnection Procedure.
- 1.7.2 HEA is required to pay the Interconnection Customer for reactive power that the Interconnection Customer provides or absorbs from the generating facility when HEA requests the Interconnection Customer to operate its generating facility outside the range specified in the HEA Generation Interconnection Procedure.
- 1.7.3 Payments shall be in accordance with the Interconnection Customer's applicable rate schedule then in effect

Article 2. Inspection, Testing, Authorization, and Right of Access

- 2.1 Equipment Testing and Inspection
 - 2.1.1 The Interconnection Customer shall test and inspect its generating facility and interconnection facilities prior to interconnection. The Interconnection Customer shall notify HEA of such activities no fewer than five business days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a business day. HEA may, at its own expense, send qualified personnel to the generating facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide HEA a written test report when such testing and inspection is completed.
- 2.2 <u>Authorization Required Prior to Parallel Operation</u>
 - 2.2.1 HEA shall use reasonable efforts to list additional applicable parallel operation requirements, if any in Attachment 4 of this Agreement. Additionally, HEA shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. HEA shall make reasonable efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its generating facility in parallel with HEA's transmission or distribution system without prior written authorization of HEA. HEA will provide such authorization once HEA receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 <u>Right of Access</u>

- 2.3.1 Upon reasonable notice, HEA may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the generating facility first produces energy to inspect the interconnection, and observe the commissioning of the generating facility (including any required testing), startup, and operation for a period of up to three business days after initial start-up of the unit(s). In addition, the Interconnection Customer shall notify HEA at least five business days prior to conducting any on-site verification testing of the generating facility.
- 2.3.2 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Term, Termination, and Disconnection

3.1 <u>Term of Agreement</u>

This Agreement shall become effective upon execution by the Parties and shall remain in effect for a period of _____ years from the effective date and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.2 of this Agreement.

3.2 <u>Termination</u>

No termination shall become effective until the Parties have complied with all applicable laws and regulations applicable to such termination.

- 3.2.1 The Interconnection Customer may terminate this Agreement at any time after the term of agreement by giving HEA 30 business days written notice.
- 3.2.2 Either Party may terminate this Agreement after default pursuant to article 7.6.
- 3.2.3 Upon termination of this Agreement, the generating facility will be disconnected from HEA's transmission or distribution system. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's default of this GIA.
- 3.2.4 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination

3.2.5 The provisions of this article shall survive termination or expiration of this Agreement.

3.3 <u>Temporary Disconnection and Alternate Transmission Line Configuration</u>

Temporary disconnection and alternate transmission line configuration during system disturbances and power outages shall continue only for so long as reasonably necessary under good utility practice and in accordance with the HEA Generation Interconnection Procedure.

3.3.1 Modification of the Generating Facility

The Interconnection Customer must receive written authorization from HEA before making any change to the generating facility that may have a material impact on the safety or reliability of the transmission or distribution system. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with good utility practice. If the Interconnection Customer makes such modification without HEA's prior written authorization, the latter shall have the right to temporarily disconnect the generating facility.

3.3.2 <u>Reconnection</u>

The Parties shall cooperate with each other to restore the generating facility, interconnection facilities, and HEA's transmission or distribution system to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities and Upgrades

4.1 Interconnection Facilities

- 4.1.1 The Interconnection Customer shall pay for the cost of the interconnection facilities itemized in Attachment 1 of this Agreement. HEA shall provide a best estimate cost, including overheads, for the purchase and construction of its interconnection facilities and provide a detailed itemization of such costs. Costs associated with interconnection facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and HEA.
- 4.1.2 The Interconnection Customer shall be responsible for its share of all expenses, including associated with owning, operating, maintaining, repairing, and replacing its own interconnection facilities.

4.2 <u>System Upgrades</u>

HEA shall design, procure, construct, install, and own the system upgrades described in Attachment 5 of this Agreement. If HEA and the Interconnection Customer agree, the Interconnection Customer may construct system upgrades that are located on land owned

by the Interconnection Customer. The actual cost of the system upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

Article 5. Cost Responsibility for System Upgrades

5.1 <u>Applicability</u>

No portion of this article 5 shall apply unless the interconnection of the generating facility requires system upgrades.

5.2 System Upgrades

HEA shall design, procure, construct, install, and own the system upgrades described in Attachment 5 of this Agreement. If HEA and the Interconnection Customer agree, the Interconnection Customer may construct system upgrades that are located on land owned by the Interconnection Customer. Unless HEA elects to pay for system upgrades, the actual cost of the system upgrades, including overheads, shall be borne by the Interconnection Customer.

5.2.1 Repayment of Amounts Advanced for System Upgrades

If the generating facility fails to achieve commercial operation, but another generating facility is later constructed and requires use of the system upgrades, HEA shall reimburse the Interconnection Customer for the amounts advanced for the system upgrades. HEA and the generating facility which paid for the system upgrades shall determine a repayment schedule that is mutually agreeable to both Parties.

5.3 <u>Rights Under Other Agreements</u>

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, or capacity rights, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the system upgrades, including the right to obtain cash reimbursements for transmission service that is not associated with the generating facility.

Article 6. Billing, Payment, Milestones, and Financial Security

- 6.1 Billing and Payment Procedures and Final Accounting
 - 6.1.1 HEA shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of interconnection facilities and upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.
 - 6.1.2 Within three months of completing the construction and installation of HEA's interconnection facilities and/or upgrades described in the Attachments to this

Agreement, HEA shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or upgrades, and (2) the Interconnection Customer's previous aggregate payments to HEA for such facilities or upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, HEA shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to HEA within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, HEA shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2 <u>Milestone Checklist</u>

The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 3 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 3. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless it will (1) suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 <u>Financial Security Arrangements</u>

Prior to the commencement of the design, procurement, installation, or construction of a discrete portion of HEA's interconnection facilities and upgrades, the Interconnection Customer shall provide HEA, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to HEA and is consistent with the Uniform Commercial Code of the jurisdiction where the point of interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of HEA's interconnection facilities and upgrades and shall be reduced on a dollar-for-dollar basis for payments made to HEA under this Agreement during its term. In addition:

- 6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of HEA, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.
- 6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer reasonably acceptable to HEA and must specify a reasonable expiration date.

Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

7.1 Assignment

This Agreement may be assigned by either Party upon 15 Business Days prior written notice and opportunity to object by the other Party; provided that:

- 7.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that the Interconnection Customer promptly notifies HEA of any such assignment;
- 7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of HEA, for collateral security purposes to aid in providing financing for the generating facility, provided that the Interconnection Customer will promptly notify HEA of any such assignment.
- 7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 <u>Limitation of Liability</u>

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, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 <u>Indemnity</u>

- 7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.
- 7.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its

obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 7.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.
- 7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

7.4 <u>Consequential Damages</u>

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Force Majeure

- 7.5.1 As used in this article, a Force Majeure Event shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing.
- 7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the

steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of reasonable efforts. The Affected Party will use reasonable efforts to resume its performance as soon as possible.

7.6 <u>Default</u>

- 7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.
- 7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Agreement.

Article 8. Insurance

- 8.1 The Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. 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. The Interconnection Customer shall obtain additional insurance only if necessary as a function of owning and operating a generating facility. Such insurance shall be obtained from an insurance provider authorized to do business in the state where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of HEA, except that the Interconnection Customer shall show proof of insurance to HEA prior to the anticipated commercial operation date.
- 8.2 HEA agrees to maintain general liability insurance or self-insurance consistent with HEA's

commercial practice.

8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

Article 9. Confidentiality

- 9.1 Confidential information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such.
- 9.2 Confidential information does not include information previously in the public domain, required to be publicly submitted or divulged by governmental authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving confidential information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.
 - 9.2.1 Each Party shall employ at least the same standard of care to protect confidential information obtained from the other Party as it employs to protect its own confidential information.
 - 9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of confidential information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

Article 10. Taxes

- 10.1 The Parties agree to follow all applicable tax laws and regulations, consistent with governing tax authority and Internal Revenue Service requirements.
- 10.2 Nothing in this Agreement is intended to adversely affect HEA's tax status.

Article 11. Miscellaneous

- 11.1 <u>Governing Law, Regulatory Authority, and Rules</u>
 - The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of ______ (where the point of interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all applicable laws and regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.

11.2 <u>Amendment</u>

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

11.3 <u>No Third-Party Beneficiaries</u>

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, their successors in interest and where permitted, their assigns.

11.4 <u>Waiver</u>

- 11.4.1 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 a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- 11.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from HEA. Any waiver of this Agreement shall, if requested, be provided in writing.

11.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for or any condition to, either Party's compliance with its obligations under this Agreement.

11.6 <u>Multiple Counterparts</u>

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.

11.7 <u>No Partnership</u>

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

11.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to

be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

11.9 <u>Subcontractors</u>

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

- 11.9.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall HEA be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.
- 11.9.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

Article 12. Notices

12.1 <u>General</u>

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

| Interconnection Custo | omer: | | |
|-----------------------|-------|--------|------|
| Attention: | | | |
| Address: | | | |
| City: | | State: | Zip: |
| Phone: | Fax: | | • |

If to HEA:

Highline Electric Association Mgr. of Engineering 1300 S. Interocean Ave. PO Box 57 Holyoke, Colorado 80734 Tel: (970) 854-2236 Fax: (970) 854-3652

12.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

| Interconnection Customer: | | |
|---------------------------|--------|------|
| Attention: | | |
| Address: | | |
| City: | State: | Zip: |

Highline Electric Association Accounts Receivable 1300 S. Interocean Ave. PO Box 57 Holyoke, CO 80734

12.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

| Interconnection Customer: _ | | | | |
|-----------------------------|------|---------|---------|-------|
| Attention: | | | | |
| Address: | | | | |
| City: | | _State: | | _Zip: |
| Phone: | Fax: | | E-mail: | - |

If to HEA:

Highline Electric Association
Mgr. of Engineering
1300 S. Interocean Ave.
PO Box 57
Holyoke, Colorado 80734
Tel: (970) 854-2236 Fax: (970) 854-3652 E-mail: RenewableEnergy@hea.coop

12.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

| Attention: | | | | |
|------------|----------|---------|---------|-------|
| Address: _ | | | | |
| City: | | _State: | | _Zip: |
| Phone: | Fax: | | E-mail: | _ |

HEA's Operating Representative:

Highline Electric Association Operations Manager 1300 S. Interocean Ave. PO Box 57 Holyoke, Colorado 80734 Tel: (970) 854-2236 Fax: (970) 854-3652 E-mail: RenewableEnergy@hea.coop

12.5 <u>Changes to the Notice Information</u>

Either Party may change this information by giving notice prior to the effective date of the change.

Article 13. Signatures

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

For Highline Electric Association

| Name: |
|-------|
|-------|

Date: _____

 \checkmark

For the Interconnection Customer

| Name: | | |
|--------|------|--|
| | | |
| Title: | | |

| Date: | |
|-------|--|
| Date: | |

DESCRIPTION AND COSTS OF THE GENERATING FACILITY, INTERCONNECTION FACILITIES, AND METERING EQUIPMENT

Equipment, including the generating facility, interconnection facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer or HEA. HEA will provide a best estimate itemized cost, including overheads, of its interconnection facilities and metering equipment.

Not needed

ONE-LINE DIAGRAM DEPICTING THE GENERATING FACILITY, INTERCONNECTION FACILITIES, METERING EQUIPMENT, AND UPGRADES

Previously submitted

| Milestones Checklist Step 1: | Date/Notes |
|--|------------|
| Verification of System Size | |
| Share all interconnection documents for member review Step 2: | |
| Walk-through Energy Audit (optional) | |
| Single-Line Diagram | |
| Site Plan | |
| Spec. Sheet for Inverter | |
| Spec. Sheet for Generator | |
| Spec. Sheet for Manual Disconnect Switch Step 3: | |
| Construction Permit (if required in your county) | |
| Electrical Permit | |
| Renewable Energy Application Signed | |
| Interconnection Agreement Signed | |
| Certificate of Liability Insurance (proof of insurance) | |
| Request Net Meter installation (allow 10 days) Step 4: | |
| Final State Electrical Inspection completed | |
| Final Commissioning* (allow 10 days for appointment) | |
| Copy of State Electrical Inspection report (NE only) | |

*Generation system cannot be energized until final commissioning unless Interconnection customer receives prior approval from an HEA representative.

Additional Operating Requirements for HEA's Transmission or Distribution System and Affected Systems Needed to Support the Interconnection Customer's Needs

Not needed



HEA'S DESCRIPTION OF SYSTEM UPGRADES AND BEST ESTIMATE OF UPGRADE COSTS

HEA shall describe system upgrades and provide an itemized best estimate of the cost, including overheads of the upgrades. HEA shall functionalize upgrade costs as either transmission or distribution related.

Not needed

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