

Big Horn Rural Electric Company
Guidelines and Process for Interconnection of Distributed Resources (IDR)

The purpose of the guidelines and process is to set forth common interconnection requirements for the interconnection of generating facilities. If the proposed facility is a solar, wind, hydroelectric or biomass generating facility of not more than twenty-five (25) kilowatts, then Big Horn's filed tariff with the Wyoming Public Service Commission of Schedule NM – Net Metering and Schedule AV – Avoided Cost shall also be applicable and adhered to in conjunction with rules as noted below and with Policy 313.00 *Interconnection Facilities*.

Big Horn Rural Electric Company has a mission to provide safe, reliable, and competitively-priced electric energy to our member/owners. Further, Big Horn states that any proposed owner, operator, customer, producer, or provider of a generating facility/qualifying facility that is to be interconnected with the utility's system, shall be responsible for all costs relative to the proposed interconnection project. Said costs shall include, but not be limited to labor, overheads, review of application, feasibility study, consultant costs to review/monitor proposed project, costs incurred by Big Horn's wholesale power supplier for evaluation, system upgrade, meter and metering costs, attorney fees, and testing of interconnection. An interconnection customer is any entity that proposes to interconnect its generating facilities with Big Horn's Transmission and/or Distribution System.

Payment for all estimated costs relative to the proposed interconnection project shall be the responsibility of the interconnection customer. A \$1,000.00 non-refundable application fee shall be paid by the customer upon submittal of the interconnection application – *Application for Operation of Customer-Owned Generation*. Upon Big Horn receiving a fully completed and accurate *Application for Operation of Customer-Owned Generation* Big Horn will make reasonable efforts to process and analyze the interconnection application and project within ninety (90) days of receiving said application and necessary related items. Big Horn as part of the analysis, shall attempt to provide a detailed list of required interconnection equipment and an itemized estimate of the costs that the proposed interconnection customer will have to pay to Big Horn to complete the interconnection.

Based upon Big Horn's review, Big Horn will incorporate such items as: Big Horn required equipment; estimate of costs; and project milestones into an *Interconnection Agreement*. The *Interconnection Agreement* shall be executed by the Customer and Big Horn prior to either party beginning construction and/or installation of facilities for said generating project. The estimated costs shall be paid by the Customer upon execution of the Interconnection Agreement. Upon completion of the project or termination of the project, the estimated cost and actual cost will be reconciled and a refund will be made within thirty days of reconciliation if the estimate was greater than the actual cost. If the estimate is less than the actual costs, then a bill will be provided to the customer who shall be responsible to pay the difference to Big Horn within thirty days of bill being provided. The non-refundable application fee will be applied to the total cost of the project when completed and will be retained if the project is withdrawn. Cost estimates will be valid for forty five (45) days.

Big Horn will consider, but is not required to interconnect with any interconnection customer that: 1) is in our service area; 2) files a proper interconnection application; 3) meets the utility's system safety standards; 4) has paid the estimated costs of interconnection and any other related costs; 5) has entered into a contract with the utility; 6) has completed a generating facility that is capable of operating safely and will not impact Big Horn's facility in a negative manner; and 7) has provided a statement from a licensed professional electrical engineer or other qualified representative certifying that the design of the generating facility and its interconnection equipment comply with utility requirements and with reasonable interconnection safety and design standards and prudent electrical practices.

Big Horn Rural Electric is under no obligation to enter into a power purchase agreement with any applicant. The energy rate to be paid for energy supplied by the qualifying facility in any month shall be the rate as noted in the "Interconnection Agreement". If the qualifying facility is in accordance and applicable within Big Horn's Schedule NM Net Metering, then said rate(s) will be as stated in the published tariff of NM Net Metering and AV Avoided Cost, otherwise the energy rate(s) to be paid will be a negotiated rate between the customer and Big Horn and or Big Horn's stated affiliate, agent, or associate.

Big Horn is required to be in compliance with the Policies and Contracts with our wholesale power provider Tri-State Generation and Transmission. Consideration of an application and possible purchase of energy from an interconnected customer must be in compliance with Big Horn's policies, rules and regulations and prudent business practices.

The above Guidelines and Process were initially reviewed and approved by the Board of Directors of Big Horn REA on 6/29/11. The Guidelines and Process was subsequently reviewed and approved with no changes on May 31, 2017. The Guidelines and Process was reviewed on December 21, 2020 and approved with changes. Said Guidelines and Process shall be reviewed at least every 5 years.

Attachments:

1. *Application for Operation of Customer-Owned Generation* (to be completed by Customer with a \$1,000.00 non-refundable application fee and reviewed by Big Horn REA)
2. *Interconnection Agreement* (to be completed by Big Horn and executed by Customer and Big Horn REA)

BIG HORN RURAL ELECTRIC COMPANY

Basin, Wyoming

POLICY

SUBJECT: INTERCONNECTION FACILITIES			Policy #313.00
Original Issue: December 21,2020	Last Revised: December 21, 2020	Last Reviewed: December 21, 2020	Page 1 of 2

OBJECTIVE

It is the objective of the Board of Directors and Management of Big Horn Rural Electric Company to implement guidelines for the interconnection of generating facilities and to ensure the applicant/customer of any proposed generating facilities is responsible for all costs relative to said project.

ACCOUNTABILITY

General Manager and staff.

POLICY

A request by an applicant for a generating facility / qualifying facility that is to be interconnected with the Cooperative's system, shall be accounted for as follows:

1. Applicant shall provide a fully complete *Application for Operation of Customer-Owned Generation* and submit a non-refundable application fee of one thousand dollars (\$1,000.00) to be used to process, review and analyze the interconnection project. The non-refundable application fee will be applied to the total cost of the interconnection project when completed and will be retained if the project is withdrawn.
2. Big Horn will provide a detailed list of Big Horn required interconnection equipment, an itemized estimate of the costs that the Applicant will have to pay relative to the interconnection project, and project milestones that will be incorporated into an *Interconnection Agreement*.
3. The *Interconnection Agreement* shall be executed by the Applicant and Big Horn and also the Applicant shall pay all estimated costs prior to either party beginning construction and/or installation of facilities.
4. Upon completion or termination of the project the estimated cost and actual cost will be reconciled and [1] a refund will be made if the estimate was greater than the actual cost [2] the customer will be billed if the estimate was less than the actual cost. The refund to the Applicant or additional payment amount required by the Applicant must be completed within thirty (30) days of the reconciliation of the estimated cost and the actual cost. Any amount required to be paid by the applicant that is not paid within the 30 days, will be charged an interest fee at the greatest allowed rate by the State of Wyoming.
5. The energy rate to be paid by Big Horn for energy supplied by the Applicant's generation facility in any month will be stated in the Interconnection Agreement. The rate(s) for a generation facility that is in accordance and applicable within Big Horn's Schedule NM Net Metering will be as stated in the published tariff of NM Net Metering and AV Avoided Cost. Otherwise, the energy rate(s) to be paid will be a negotiated rate between the Applicant and Big Horn and/or Big Horn's stated affiliated, agent, or associate.
6. Consideration of an Applicant's generating facility will be done in association with the policies and contracts with Big Horn's power provider Tri-State Generation and Transmission and with Big

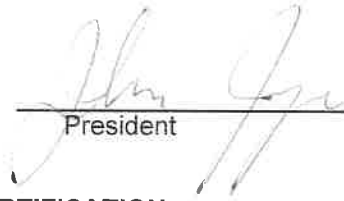
BIG HORN RURAL ELECTRIC COMPANY
Basin, Wyoming
POLICY

SUBJECT: INTERCONNECTION FACILITIES			Policy # 313.00
Original Issue: December 21, 2020	Last Revised: December 21, 2020	Last Reviewed: December 21, 2020	Page 2 of 2

Horn's policies, rules and regulations and prudent business practices.

7. This Policy may also be augmented by Big Horn's *Guidelines and Process for Interconnection of Distributed Resources (IDR)*. Any said Guidelines and Process shall be reviewed by Big Horn's Board of Directors at least every five (5) years.

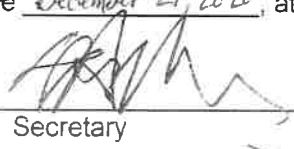
RESPONSIBILITY It will be the responsibility of the manager to implement and administer this policy.



President

CERTIFICATION

I, Stephen Helburn, Secretary of Big Horn Rural Electric Company do hereby certify that the foregoing Policy governing Interconnection Facilities was adopted by the Board of Directors at the meeting of the Board of Directors of Big Horn Rural Electric Company held on the December 21, 2020, at which meeting a quorum was present.



Secretary

(Seal)

WYOMING PUBLIC SERVICE COMMISSION

Big Horn Rural Electric Company
P.O. Box 270
Basin, WY 82410

Wyoming P.S.C. Tariff No. 14
First Revised Sheet No. 21
Cancels Original Sheet No. 21

SCHEDULE AV

AVOIDED COST

Big Horn's avoided cost rate is the variable costs components of the energy rate per kilowatt-hour from Big Horn's wholesale power supplier Tri-State Generation and Transmission Association, Inc. As of January 1, 2018 the variable costs component and hence avoided cost is \$0.02074 per kilowatt-hour. Big Horn will submit a letter to the Wyoming Public Service Commission with back up data within 10 days of any avoided cost rate change.

Energy Rate, per kilowatt-hour:

Fixed costs	\$0.02130
Variable costs	<u>\$0.02074</u>
Total	\$0.04204

Board approved: May 30, 2018
Effective: May 30, 2018


Jeff Umphlett
General Manager

PUBLIC SERVICE COMMISSION
APPROVED
EFFECTIVE: August 14, 2018
DOCKET NO. 10019-65-CT-17
STATE OF WYOMING

THE PUBLIC SERVICE COMMISSION OF WYOMING

Big Horn Rural Electric Company
P.O. Box 270
Basin, WY 82410

Wyoming P.S.C. Tariff No. 14
First Revised Sheet No. 22
Cancels Original Sheet No. 22

SCHEDULE NM

NET METERING
(Page 1 of 2)

APPLICABILITY

In accordance with Wyoming Statute 37-16-101 to 104, this tariff is applicable to any Member/Owner (Producer) that owns and operates a solar, wind, hydroelectric or biomass generating facility with a capacity of not more than twenty-five (25) kilowatts that is interconnected and operates in parallel with Big Horn's existing distribution facilities, and is intended primarily to offset part or all of the Producer's own electrical requirements measured by Big Horn at a Producer's single metered point of delivery.

Only one Producer's electrical load served by a single metering point shall be included in the calculation of net metering against any generation produced by the Producer pursuant to the conditions in this tariff.

AVAILABILITY

This service shall be available to a Member/Owner of Big Horn who agrees to comply with the requirements of this tariff and subject to the rules and regulations of Big Horn.

DEFINITIONS

Net Metering is quantifying the difference between electricity supplied by Big Horn and electricity generated by an eligible Producer and fed back to Big Horn's system during the applicable billing period.

MONTHLY BILL CALCULATION:

1. Generating facilities directly connected to a Producer's electrical load served by Big Horn shall be billed a monthly Facilities Charge in accordance with Big Horn's approved tariffs.
2. The minimum charge shall be computed as set out in the applicable standard service tariff, including member charges, minimum billing amounts, payment or contractual charges.

Board approved: May 31, 2017
Effective: May 31, 2017


Jeff Umphlett
General Manager

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EFFECTIVE: August 14, 2018
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Big Horn Rural Electric Company
P.O. Box 270
Basin, WY 82410

Wyoming P.S.C. Tariff No. 14
First Revised Sheet No. 23
Cancels Original Sheet No. 23

SCHEDULE NM
NET METERING
(Page 2 of 2)

3. If Producer generates less energy than consumed – If the electricity supplied by Big Horn during a given month exceeds the electricity generated by the Producer, the Producer shall be billed for the appropriate monthly minimum or Facilities charge for the applicable rate class, and energy fed back onto the system by the Producer will be billed monthly at the standard applicable tariff rate.

4. If Producer generates more energy than consumed – If the electricity fed back onto the system by the Producer during a given month exceeds that supplied by Big Horn, the Producer shall be billed for the appropriate facility charge under the applicable standard service tariff and Big Horn will compensate the Producer for any excess energy fed back onto the system as follows:

The rate for credited net energy shall be Big Horn's avoided cost. Big Horn's avoided cost is the variable costs component of the base energy rate component charged by Big Horn's wholesale power supplier as shown in Big Horn's Sheet No. 21 Schedule AV Avoided Cost on file herein. Said payment for excess energy generated shall be calculated and reflected as a dollar and cents credit on the bill for the following month.

5. Annual True-up

If a credit balance exists at the end of the year, Big Horn shall issue payment of same. A credit reflected on the Producer's account at year end will not be carried forward.

CONDITIONS OF SERVICE

1. The Producer is responsible for all costs associated with its facility, for all costs related to any modifications to the facility and for all costs related to any modifications to the facility that may be required by Big Horn for purposes of safety and reliability.

2. A Net Metering facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

3. The Producer shall, at its expense provide lockable switching equipment capable of isolating the net metering facility from Big Horn's system. Such equipment shall be approved by Big Horn and shall be accessible by Big Horn at all times.

4. Big Horn shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering facility, or for the acts or omissions of the Producer that cause loss or injury, including death, to any third party.

5. Big Horn requires a Solid State Bi-Directional meter capable of measuring and displaying delivered and received energy (kWh) on all net metering facilities.

Board approved: May 31, 2017
Effective: May 31, 2017


Jeff Umphlett
General Manager

PUBLIC SERVICE COMMISSION
APPROVED
EFFECTIVE: August 14, 2018
DOCKET NO. 10019-65-CT-17
STATE OF WYOMING

Big Horn Rural Electric Company

Application for Operation of Customer-Owned Generation

This application should be completed and returned to the Cooperative, in order to begin processing the request.

INFORMATION: *This application is used by the Cooperative to determine the required equipment configuration for the Customer interface. Every effort should be made to supply as much information as possible. You may have to contact your distributor for some of the information.*

PART 1

OWNER/APPLICANT INFORMATION

Owner/Customer

Name: _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

PROJECT DESIGN/ENGINEERING (ARCHITECT) (as applicable)

Company: _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

ELECTRICAL CONTRACTOR (as applicable)

Company: _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip Code: _____

Phone Number: _____ Representative: _____

Email Address: _____ Fax Number: _____

TYPE OF GENERATOR (as applicable)

Photovoltaic	_____	Wind	_____	Microturbine	_____
Diesel Engine	_____	Gas Engine	_____	Combustion Turbine	_____
Other	_____				

ESTIMATED LOAD, GENERATOR RATING AND MODE OF OPERATION INFORMATION

The following information is necessary to help properly design the Cooperative customer interconnection. This information is not intended as a commitment or contract for billing purposes.

Total Site Load _____ (kW)

Residential _____

Commercial _____

Industrial _____

Generator Rating _____ (kW)

Annual Estimated Generation _____ (kWh)

Mode of Operation

Isolated _____

Paralleling _____

Power Export _____

DESCRIPTION OF PROPOSED INSTALLATION AND OPERATION

Give a general description of the proposed installation, including a detailed description of its planned location, the date you plan to operate the generator, the frequency with which you plan to operate it and whether you plan to operate it during on or off-peak hours.

PART 2

(Complete all applicable items. Copy this page as required for additional generators)

SYNCHRONOUS GENERATOR DATA

Unit Number: _____ Total number of units with listed specifications on site: _____

Manufacturer: _____

Type: _____ Date of manufacture: _____

Serial Number (each): _____

Phases: Single Three R.P.M.: _____ Frequency (Hz): _____

Rated Output (for one unit): _____ Kilowatt Kilovolt-Ampere

Rated Power Factor (%): _____ Rated Voltage (Volts): _____ Rated Amperes: _____

Field Volts: _____ Field Amps: _____ Motoring power (kW): _____

Synchronous Reactance (Xd): _____ % on _____ KVA base

Transient Reactance (X'd): _____ % on _____ KVA base

Subtransient Reactance (X''d): _____ % on _____ KVA base

Negative Sequence Reactance (Xs): _____ % on _____ KVA base

Zero Sequence Reactance (Xo): _____ % on _____ KVA base

Neutral Grounding Resistor (if applicable): _____

I₂²t or K (heating time constant): _____

Additional information: _____

INDUCTION GENERATOR DATA

Rotor Resistance (Rr): _____ ohms Stator Resistance (Rs): _____ ohms
Rotor Reactance (Xr): _____ ohms Stator Reactance (Xs): _____ ohms
Magnetizing Reactance (Xm): _____ ohms Short Circuit Reactance (Xd''): _____ ohms
Design letter: _____ Frame Size: _____
Exciting Current: _____ Temp Rise (deg C°): _____
Reactive Power Required: _____ Vars (no load), _____ Vars (full load)
Additional information: _____

PRIME MOVER (Complete all applicable items)

Unit Number: _____ Type: _____
Manufacturer: _____
Serial Number: _____ Date of manufacture: _____
H.P. Rated: _____ H.P. Max.: _____ Inertia Constant: _____ lb.-ft.²
Energy Source (hydro, steam, wind, etc.) _____

GENERATOR TRANSFORMER (Complete all applicable items)

TRANSFORMER (between generator and utility system)

Generator unit number: _____ Date of manufacturer: _____
Manufacturer: _____
Serial Number: _____
High Voltage: _____ KV, Connection: delta wye, Neutral solidly grounded?
Low Voltage: _____ KV, Connection: delta wye, Neutral solidly grounded?
Transformer Impedance(Z): _____ % on _____ KVA base.
Transformer Resistance (R): _____ % on _____ KVA base.
Transformer Reactance (X): _____ % on _____ KVA base.
Neutral Grounding Resistor (if applicable): _____

INVERTER DATA (if applicable)

Manufacturer: _____ Model: _____
Rated Power Factor (%): _____ Rated Voltage (Volts): _____ Rated Amperes: _____
Inverter Type (ferroresonant, step, pulse-width modulation, etc): _____

Type commutation: forced line

Harmonic Distortion: Maximum Single Harmonic (%) _____
Maximum Total Harmonic (%) _____

Note: Attach all available calculations, test reports, and oscillographic prints showing inverter output voltage and current waveforms.

POWER CIRCUIT BREAKER (if applicable)

Manufacturer: _____ Model: _____
Rated Voltage (kilovolts): _____ Rated ampacity (Amperes) _____
Interrupting rating (Amperes): _____ BIL Rating: _____
Interrupting medium / insulating medium (ex. Vacuum, gas, oil) _____ / _____
Control Voltage (Closing): _____ (Volts) AC DC
Control Voltage (Tripping): _____ (Volts) AC DC Battery Charged Capacitor
Close energy: Spring Motor Hydraulic Pneumatic Other: _____
Trip energy: Spring Motor Hydraulic Pneumatic Other: _____
Bushing Current Transformers: _____ (Max. ratio) Relay Accuracy Class: _____
Multi ratio? No Yes: (Available taps) _____

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ADDITIONAL INFORMATION

In addition to the items listed above, please attach a detailed one-line diagram of the proposed facility, all applicable elementary diagrams, major equipment, (generators, transformers, inverters, circuit breakers, protective relays, etc.) specifications, test reports, etc., and any other applicable drawings or documents necessary for the proper design of the interconnection. Also describe the project's planned operating mode (e.g., combined heat and power, peak shaving, etc.), and its address or grid coordinates.

END OF PART 2

SIGN OFF AREA

The customer agrees to provide the Cooperative with any additional information required to complete the interconnection. The customer shall operate his equipment within the guidelines set forth by the cooperative.

Applicant

Date

ELECTRIC COOPERATIVE CONTACT FOR APPLICATION SUBMISSION AND FOR MORE INFORMATION:

Cooperative contact: Jeff Umphlett
Title: General Manager
Address: 415 South Street
P.O. Box 270
Basin, WY 82410
Phone: 307-568-2419
Fax: 307-568-2402
e-mail: jeff@bighornrea.com

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BIG HORN RURAL ELECTRIC COMPANY
INTERCONNECTION AGREEMENT

INTERCONNECTION AGREEMENT

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INTERCONNECTION AGREEMENT

Exhibit 1 - Glossary of Terms

Exhibit 2 - Description and Costs of the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Other Related Costs

Exhibit 3 - One- line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Upgrades

Exhibit 4 - Milestone

Exhibit 5 - Additional Operating Requirements for the Cooperative's Transmission and/or Distribution System Needed to Support the Interconnection Customer's Needs

Exhibit 6 - Cooperative's Description of its Upgrades and Best Estimate of Upgrade Costs

INTERCONNECTION AGREEMENT

This INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 20__, by and between Big Horn Rural Electric Company, a rural electric cooperative ("Cooperative"), and _____ ("Interconnection Customer"), each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Cooperative Information

Cooperative: Big Horn Rural Electric Company
Attention: General Manager
Address: PO Box 270
City: Basin State: WY Zip: 82410
Phone: 307-569-2419 Fax: 307-568-2402

Interconnection Customer Information

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Interconnection Customer Application No: _____ (Big Horn to Fill Out)

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 shall be used for all Interconnection Requests submitted under the Cooperative's Guidelines and Process for Interconnection of Distributed Resources (IDR).
- 1.2 This Agreement governs the terms and conditions under which the Interconnection Customer's Small Generating Facility will interconnect with, and operate in parallel with, the Cooperative's Transmission and/or Distribution System.
- 1.3 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate Purchase Power Agreements, Tariff provisions, or other agreements, as applicable. Unless otherwise noted, the rates charged for usage of electricity and the credit for production of

electric energy are noted in Cooperative's filed tariffs as NM – Net Metering and AV – Avoided cost.

- 1.4 Nothing in the Agreement is intended to affect any other agreement between the Cooperative and the Interconnection Customer.

1.5 Responsibilities of the Parties

- 1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations of the state of Wyoming, Operating Requirements, and Good Utility Practice or Good Distributed Generation Practice (as applicable).
- 1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Small 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, Good Utility Practice and/or Good Distributed Generation Practice (if applicable), all Wyoming statutes and regulations, and any other requirements imposed by the Cooperative.
- 1.5.3 The Cooperative shall construct, operate, and maintain its Transmission and Distribution System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.
- 1.5.4 The Interconnection Customer agrees to construct and operate its facilities or systems in accordance with Good Distributed Generation Practice, including but not limited to applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, the Institute of Electrical and Electronic Engineers (IEEE) standards 1547 and 1547.1, Underwriter's Laboratory, and Operating Requirements and other applicable national and state codes and standards, as well as all Wyoming statutes and regulations. Without limiting the foregoing, the Interconnection Customer agrees to design, install, maintain, and operate its Small Generating Facility so as to minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of the Cooperative.
- 1.5.5 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 Exhibits 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. The Cooperative and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Cooperative's

Transmission and/or Distribution System, personnel, and other persons from damage and injury. There shall be installed by the Interconnection Customer appropriate disconnect facilities, as determined by the Cooperative, which shall include a lockable disconnect and a visible open that are accessible to and operable by authorized personnel at all times. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Exhibits to this Agreement.

1.6 Parallel Operation Obligations

Once the Small 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 Small Generating Facility in the applicable control area, including, but not limited to: 1) the rules and procedures concerning the operation or generation set forth in the Tariff or Purchase Power Agreement for the Cooperative's Transmission and/or Distribution System; 2) the Operating Requirements set forth in Exhibit 5 of this Agreement; and 3) Good Distributed Generation Practice.

1.7 Metering

Except as otherwise required by law, the Interconnection Customer shall be responsible for the Cooperative's costs incurred for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Exhibits 2 and 3 of this Agreement. The Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements.

1.8 Reactive Power

1.8.1 The Interconnection Customer shall design its Small Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range specified in Exhibit 5 of this Agreement.

1.9 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Exhibit 1 or the body of this Agreement.

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 Small Generating Facility and Interconnection Facilities prior to interconnection and no less than once every four years during the term of said Interconnection Agreement. The Interconnection Customer shall notify the Cooperative of such activities no fewer than five Business Days (or as may be otherwise agreed to by the Parties in

writing) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Cooperative may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide to the Cooperative a written test report when such testing and inspection is completed.

- 2.1.2 The Cooperative shall provide to the Interconnection Customer written acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Cooperative of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

- 2.2.1 The Cooperative shall use Reasonable Efforts to list applicable parallel operation requirements and operational test criteria in Exhibit 5 of this Agreement. Additionally, the Cooperative shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Cooperative shall make Reasonable Efforts to cooperate with the Interconnection Customer to commence parallel operations by the in-service date.
- 2.2.2 The Interconnection Customer shall not operate its Small Generating Facility in parallel with the Cooperative's Transmission System without prior written authorization of the Cooperative. The Cooperative will provide such authorization once the Cooperative receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements to ensure that said operation will be consistent with safety, reliability and power quality standards. Such authorization shall not be reasonably withheld, conditioned, or delayed.

2.3 Right of Access

- 2.3.1 Upon reasonable notice, the Cooperative may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small 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. In addition, the Interconnection Customer shall notify the Cooperative at least five Business Days prior to conducting any on-site verification testing of the Small Generating Facility.

- 2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or potentially hazardous condition, the Cooperative shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if the Cooperative otherwise believes it necessary to meet its legal obligation to provide service to its customers.
- 2.3.3 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

- 3.1.1 This Agreement shall become effective upon execution by the Parties. The Cooperative shall promptly file this Agreement with the Wyoming Service Commission ("Commission") upon execution, if required.
- 3.1.2 This Agreement shall become effective on the Effective Date and shall remain in effect for a period of 20 years from the Effective Date, and shall thereafter be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.2 of this Agreement.
- 3.1.3 If a Facility modification directly impacts Interconnection Facilities then the Parties must mutually agree on the allocation of the costs of such impact, unless terminated by mutual agreement earlier in accordance with Article 3.2 of this Agreement. Nothing herein shall be deemed to preclude the Cooperative's right to modify its operational parameters described in Exhibit 5.

3.2 Termination

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 by giving the Cooperative 20 Business Days written notice.
- 3.2.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.
- 3.2.3 Either Party may terminate this Agreement at the end of the then existing term by providing at least thirty (30) days written notice to the other before the commencement of the subsequent one-year renewal period.
- 3.2.4 Upon termination of this Agreement, the Small Generating Facility will be disconnected from the Cooperative's Transmission and/or Distribution System, as

applicable. 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 Agreement or such non-terminating Party otherwise is responsible for these costs under this Agreement.

3.2.5 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

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

3.3 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice, which includes, but is not limited to, any of the circumstances set forth below.

3.3.1 Emergency Conditions – "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Cooperative, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission or Distribution System, the Cooperative's Interconnection Facilities; or (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generating Facility or the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Cooperative may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. The Cooperative shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Small Generating Facility. The Interconnection Customer shall notify the Cooperative promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Cooperative's Transmission and/or Distribution System. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.3.2 Routine Maintenance, Construction and Repair

The Cooperative may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from the Cooperative's Transmission, Distribution System, or Interconnection Facilities when necessary for routine maintenance, construction, and repairs on the Cooperative's Transmission, Distribution System, or

Interconnection Facilities. The Cooperative shall provide the Interconnection Customer with five Business Days notice prior to such interruption. The Cooperative shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.

3.3.3 Forced Outages

During any forced outage on the Cooperative's system, the Cooperative may suspend interconnection service to effect immediate repairs on the Cooperative's Transmission, Distribution System, or Interconnection Facilities. The Cooperative shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Cooperative shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

3.3.4 Adverse Operating Effects

The Cooperative shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Small Generating Facility may cause disruption or deterioration of service to other customers served from the electric system, or if operating the Small Generating Facility could cause damage to the Cooperative's Transmission, Distribution System, or Interconnection Facilities. Supporting documentation used to reach the decision to disconnect or Derate shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Cooperative may disconnect or Derate the Small Generating Facility and, at its option, terminate this Agreement.

3.3.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from the Cooperative before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Transmission, Distribution System, or Interconnection Facilities. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Distributed Generation Practice. If the Interconnection Customer makes such modification without the Cooperative's prior written authorization, the latter shall have the right to temporarily or permanently disconnect the Small Generating Facility and/or terminate this Agreement.

3.3.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and the Cooperative's Transmission and/or Distribution System (as applicable) to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities, Distribution Upgrades, Transmission Upgrades and Other Related Costs

4.1 Interconnection Facilities

- 4.1.1 The Interconnections Customer shall pay for the cost of the Interconnection Facilities itemized in Exhibit 2 of this Agreement. The Cooperative 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 the Cooperative.
- 4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintain, repairing, and replacing the Cooperative's Interconnection Facilities.
- 4.1.3 The Interconnection Customer shall be responsible for other costs relative to the proposed interconnection project. Said costs shall include labor, expenses, overheads and other related costs for such things as: review of application; feasibility study; consultant(s) costs to review/monitor proposed project; costs incurred by Big Horn's wholesale power supplier for evaluation; system upgrade, meter and metering costs; attorney fees; etc.

4.2 Distribution Upgrades

The Cooperative shall design, procure, construct, install, and own the Distribution Upgrades described in Exhibit 6 of this Agreement. If the Cooperative and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades that are located on land owned by the Interconnection Customer. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

4.3 Queue Position

As provided in the Policies and Procedures, the Cooperative shall assign a Queue Position based upon the date-and time-stamp of the Interconnection Request. The Queue Position of each Interconnection Request will be used to determine the cost responsibility of the Upgrades necessary to accommodate the interconnection. The Cooperative shall maintain a single queue per geographic region. At the Cooperative's option, Interconnection Requests may be studied serially or in clusters for the purpose of the system impact study.

Article 5. Cost Responsibility for Network Upgrades

5.1 Applicability

No portion of this article 5 shall apply unless the interconnection of the Small Generating Facility requires Network Upgrades.

5.2 Network Upgrades

The Cooperative shall design, procure, construct, install, and own the Network Upgrades described in Exhibit 6 of this Agreement. If the Cooperative and the Interconnection Customer agree, the Interconnection Customer may construct Network Upgrades that are located on land owned by the Interconnection Customer. Unless the Cooperative elects at its discretion to pay for Network Upgrades, the actual cost of the Network Upgrades, including overheads, shall be borne initially by the Interconnection Customer.

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

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 The Cooperative shall bill the Interconnection Customer an estimated amount for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades, and other related costs contemplated by this Agreement. The Interconnection Customer shall pay the estimate amount within 30 calendar days of receipt, or as otherwise agreed to by the Parties in writing.

6.1.2 Within three months of completing the construction and installation of the Cooperative's Interconnection Facilities and/or Upgrades described in the Exhibits to this Agreement, the Cooperative 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 the Cooperative for such facilities or Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Cooperative shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Cooperative within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Cooperative shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2 Milestones

The Parties shall agree on milestones for which each Party is responsible and list them in Exhibit 4 of this Agreement. A Party's obligations under this provision may be extended

by written 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 Exhibit 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless (1) it will suffer material uncompensated economic or operational harm from the delay, or (2) 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.

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 the Cooperative of any such assignment and the assignee agrees in writing to abide by all terms and conditions of this agreement;
- 7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of the Cooperative, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that the Interconnection Customer will promptly notify the Cooperative 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 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. Neither Party shall be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

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 and 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 Consequential Damages

Except in cases of willful and wanton misconduct or deliberate violation of the terms of 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 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 Default

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 below, 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 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.

- 7.6.3 Notwithstanding anything in this Agreement to the contrary, in the event of any Default by the Interconnection Customer that the Cooperative believes may have a material impact on the safety or reliability of the Transmission and/or Distribution System or that may otherwise cause an Emergency Condition or endanger life or property, the Cooperative shall have the immediate right to terminate this Agreement. In that case, the Cooperative shall have the right 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 the Cooperative, except that the Interconnection Customer shall show proof of insurance to the Cooperative no later than ten Business Days prior to the anticipated commercial operation date. An Interconnection Customer of sufficient credit-worthiness may propose to self-insure for such liabilities, and such proposal shall not be unreasonably rejected.
- 8.2 The Cooperative agrees to maintain general liability insurance or self-insurance consistent with the Cooperative's commercial practice. Such insurance or self-insurance shall not exclude coverage for the Cooperative's liabilities undertaken pursuant to this Agreement.
- 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 the Party claiming confidentiality believes, in good faith contains trade secrets or other confidential research, development, commercial, customer usage, financial, vendor or bid information, the unpermitted disclosure or misuse of which could reasonably cause cognizable harm to the Party claiming confidentiality ("Confidential Information"). In providing the Confidential Information, the Party claiming confidentiality shall clearly mark or otherwise designate the information as "Confidential." Notwithstanding the above, all design, system or operating specifications, and metering data provided by or to the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such. In addition, as a condition to providing the Confidential Information, the Party claiming confidentiality may require the other Party to execute a confidentiality or protective agreement on terms mutually acceptable to the Parties setting forth the terms and conditions of the confidentiality arrangement.
- 9.2 Notwithstanding the above, Confidential Information does not include information 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. Disputes

- 10.1 The Parties agree to attempt to resolve all disputes arising out of this Agreement according to the provisions of this Article 10.
- 10.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

- 10.3 If the dispute has not been resolved within 10 Business Days after receipt of the Notice, either Party shall have the right to request the Commission, or other third party mutually agreed upon, serve as an arbiter of last resort. In such an event, the Commission will use an informal expedited process to resolve the dispute within 30 days of the date of the request. In doing so, the Commission shall have the right to authorize its Chairman, or his/her designee (which designee may be another Commissioner, a member of the Commission staff, a Commission hearing officer, or a Commission hired consultant) to take any such action on behalf of the Commission, in consultation with other Commissioners and Commission staff. There shall be no right to hearing or appeal from this informal expedited dispute resolution process.
- 10.4 Notwithstanding the above, each Party also has the option of availing itself of formal relief with the Commission, pursuant to the Commission's applicable Rules of Practice and Procedure, and Wyoming state law.
- 10.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half each of any costs paid to neutral third parties.
- 10.6 If neither Party elects to seek assistance from the Commission, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of the Cooperative's Distributed Generation Interconnection Policies and Procedures.

Article 11. Taxes

- 11.1 The Parties agree to follow all applicable local state and federal tax laws and regulations, consistent with Internal Revenue Service requirements.
- 11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Cooperative's tax-exempt status with respect to this issuance of bonds including, but not limited to, local furnishing bonds.

Article 12. Miscellaneous

- 12.1 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 Wyoming (i.e., 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.

12.2 Amendment

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

12.3 No Third-Party Beneficiaries

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.

12.4 Waiver

12.4.1 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.

12.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver 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 the Cooperative. Any waiver of this Agreement shall, if requested, be provided in writing.

12.5 Entire Agreement

This Agreement, including all Exhibits, 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.

12.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all of which shall constitute one and the same instrument.

12.7 No Partnership

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.

12.8 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.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. In recognition of this, the Parties agree to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority.

12.10 Environmental Releases

Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Small Generation Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

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.

- 12.11.1 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 the Cooperative 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.

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

Article 13. Notices

13.1 General

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 courier service, or sent by certified first class mail, postage prepaid return receipt requested, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

If to the Cooperative:

Cooperative: Big Horn Rural Electric Company
Attention: General Manager
Address: PO Box 270
City: Basin State: WY Zip: 82410
Phone: 307-568-2419 Fax: 307-568-2402

Notwithstanding the above, all notices, demands and other communications which are required or which may be given under or in connection with this Agreement shall be in writing and shall be deemed to have been duly given and received when delivered in person or, if mailed, three (3) Business Days after being deposited in the United States mail and postmarked, certified or registered mail, postage prepaid, or, if by facsimile, the Business Day following the facsimile.

13.2 Billing and Payment

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

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

Cooperative: Big Horn Rural Electric Company
Attention: General Manager
Address: PO Box 270
City: Basin State: WY Zip: 82410
Phone: 307-568-2419 Fax: 307-568-2402

13.3 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: _____

If to the Cooperative:

Cooperative: Big Horn Rural Electric Company
Attention: General Manager
Address: PO Box 270
City: Basin State: WY Zip: 82410
Phone: 307-568-2419 Fax: 307-568-2402

13.4 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:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Cooperative's Operating Representative:

Name: Jeff Umphlett
Attention: General Manager
Address: PO Box 270
City: Basin State: WY Zip: 82410
Phone: 307-568-2419 Fax: 307-568-2402

13.5 Changes to the Notice Information

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

Article 14. Signatures

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

For the Cooperative: Big Horn Rural Electric Company

Signature: _____

Name: _____

Title: _____

Date: _____

For the Interconnection Customer

Signature: _____

Name: _____

Title: _____

Date: _____

GLOSSARY OF TERMS

Allowed Net Capacity - The maximum electrical output of the Interconnection Customer's Small Generating Facility in Kilowatts (KW), which is used by the Cooperative for establishing a maximum instantaneous KW output from the Interconnection Customer's Small Generating Facility for planning and operating the Cooperative's system.

Applicable Laws and Regulations - All duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Business Day - Monday through Friday, excluding Federal and State Holidays.

Commission - the Wyoming Public Service Commission.

Cooperative - Big Horn Rural Electric Company, which is the member-owned electric cooperative serving the state of Wyoming.

Default - The failure of a breaching Party to perform or comply with any provisions in the Small Generator Interconnection Agreement.

Derate/Deration - Reduction of Allowed Net Capacity.

Distribution System - The Cooperative's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades - The additions, modifications, and upgrades to the Cooperative's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the transmission service necessary to effect the Interconnection Customer's wholesale sale of electricity in intrastate commerce. Distribution Upgrades do not include Interconnection Facilities.

Good Distributed Generation Practice - Any of the practices, methods and acts engaged in or approved by a significant portion of the distributed generation industry during the relevant time period, or any of the practices, methods or acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices,

reliability, safety and expedition. Good Distributed Generation Practices is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Without limiting the generality of the above, Good Distributed Generation Practices shall at all times mean actions in compliance with Applicable Laws and Regulations, the National Electric Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements and other applicable national and state codes, standards and requirements, as well as to utilize reasonably best efforts to minimize the likelihood of any disturbance or other impact adversely affecting or impairing the system or equipment of Big Horn Rural Electric Company from a safety, reliability and/or power quality standpoint.

Good Utility Practice - Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority - Any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rule making board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Interconnection Customer, the Cooperative, or any Affiliate thereof.

Interconnection Customer - Any entity that proposes to interconnect its Small Generating Facility with the Cooperative's Transmission and/or Distribution System.

Interconnection Facilities - The Cooperative's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small Generating Facility to the Cooperative's Transmission and/or Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades.

Interconnection Request - The Interconnection Customer's request, in accordance with the Policies and Procedures, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with the Cooperative's Transmission and/or Distribution System.

Material Modification - A modification that has a material impact on the cost or timing of any Interconnection Request.

NEM - Net Energy Metering.

Network Upgrades - Additions, modifications, and upgrades to the Cooperative's Transmission and/or Distribution System required at or beyond the point at which the Small Generating Facility interconnects with the Cooperative's Transmission and/or Distribution System to accommodate the interconnection of the Small Generating Facility with the Cooperative's Transmission and/or Distribution System. Network Upgrades do not include Distribution Upgrades.

Operating Requirements - Any operating and technical requirements that may be applicable due to the control area, or the Cooperative's requirements, including those set forth in Big Horn Rural Electric Company's Small Generator Interconnection Agreement and/or the Policies and Procedures.

Party or Parties - The Cooperative and the Interconnection Customer, either individually (Party) or together (Parties).

Point of Interconnection - The point where the Interconnection Facilities connect with the Cooperative's Transmission and/or Distribution System.

Policies and Procedures - The document titled Small Generator Interconnection Policies and Procedures (For Distributed Generation Facilities No Larger Than 25 KW).

Queue Position - The order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the Cooperative.

Reasonable Efforts - With respect to an action required to be attempted or taken by a Party under the Small Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice or Good Distributed Generation Practice (as applicable) and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Small Generating Facility - The Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Transmission System - The facilities owned, controlled or operated by the Cooperative.

Upgrades - The required additions and modifications to the Cooperative's Transmission and/or Distribution System at or beyond the Point of Interconnection. Upgrades may be Network

Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

EXHIBIT 2

DESCRIPTION AND COSTS OF THE SMALL GENERATING FACILITY, INTERCONNECTION FACILITIES, METERING EQUIPMENT, AND OTHER RELATED PROJECT COSTS

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer or the Cooperative. The Cooperative will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment. The Cooperative will also provide a best estimate itemized cost of other related costs such as application review, feasibility study, engineering, attorney, consultant(s), inspection, etc.

Note: All equipment for the generating facility and interconnection facilities including the lockable disconnect with a visible open are all owned by the Customer. The Customer is to install the disconnect within five feet of Big Horn's meter pole. The disconnect shall be attached to a proper backing on a post/pole. All equipment and facilities past the meter (including the wiring to the disconnect) belong to the Customer. The Customer is to make sure all installed equipment is UL listed.

EXHIBIT 3

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

MILESTONES

Parallel operation In-Service Date:

Critical milestones and responsibilities as agreed to by the Parties:

Milestone/Date

Responsible Party

Agreed to by:

BIG HORN RURAL ELECTRIC COMPANY

**[Insert name of Interconnection
Customer]**

By _____

By _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT 5

ADDITIONAL OPERATING REQUIREMENTS FOR THE COOPERATIVE'S TRANSMISSION AND/OR DISTRIBUTION SYSTEM NEEDED TO SUPPORT THE INTERCONNECTION CUSTOMER'S NEEDS

The Cooperative shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation and operations test criteria after connecting with the Cooperative's Transmission and/or Distribution System.

1. Interconnecting customer's standard operating procedures shall be subject to the Cooperative's review and approval.
2. Interconnecting customer shall meet IEEE 929 and UL 1741 standards and guidelines as not to cause an adverse effect on Big Horn Rural Electric Company's system.
3. Interconnecting customer shall not alter, modify or otherwise change any protective relay or control characteristics of the facility without Big Horn Rural Electric Company approval.
4. Testing of operational criteria before and after parallel operation will be done in accordance with Good Utility Practice.
5. Inverter under frequency set points must be adjustable down to 57.0 Hz and over frequency set points must be adjustable up to 60.5 Hz.
6. Interconnecting customer must be willing and able to adjust frequency set points from a range of 57.0-60.5 Hz give by Big Horn Rural Electric Company as to preserve grid stability.
7. Interconnection customer must be willing and able to generate report of inverter activities based on request by Big Horn Rural Electric Company within 30 days of request.
8. The Interconnection Project will incorporate the Institute of Electronic Engineers (IEEE) standards 1547 and 1547.1.
9. Interconnection Customer must provide a statement from a licensed professional electrical engineer or from another qualified representative certifying that the design and installation of the generating facility and the Interconnection Customer's equipment comply with utility requirements and with reasonable interconnection safety and design standards and with prudent electrical practices.

EXHIBIT 6

COOPERATIVE'S DESCRIPTION OF ITS UPGRADES AND BEST ESTIMATE OF UPGRADE COSTS

The Cooperative shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades. The Cooperative shall functionalize Upgrade costs and annual expenses as either transmission or distribution related.