COLES-MOULTRIE ELECTRIC COOPERATIVE
BOARD POLICY #43

SUBJECT: INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

I. PURPOSE

To establish safety, reliability and economic standards for interconnection and parallel operation of distributed generation that encourage the development of member-owned on-site electric generation facilities using renewable fuel sources designed primarily to offset the member's electrical requirements while honoring the Cooperative's obligation to provide electricity to all members on a cooperative basis.

II. DEFINITIONS

DISTRIBUTED GENERATION is defined as any generation facility built within close proximity to the generating member's load that may be interconnected and operated in parallel with the Cooperative's electric distribution system.

ELIGIBLE RENEWABLE ELECTRICAL GENERATING FACILITY (EREGF) – Associated with CMEC Board Policy #42-1. One or more generator(s) owned by an eligible member and located at and associated with a specified service metering point where: (A) the total combined nameplate rating for such generator(s) at the specified service metering point is (1) not more than 10 kilowatts or (2) more than 10 kilowatts but not exceeding 40 kilowatts, that was, on or prior to October 12, 2016, (a) connected to and operating on the member's low-voltage electric premises wiring associated with the specified service metering point or (b) had pending for approval an active application for such connection to and operation on the member's low-voltage electric premises wiring associated with the specified service metering point and for which such connection was thereafter approved and installation was completed by May 1, 2017, but only to the extent the total combined nameplate rating of the EREGF exceeded 10 kilowatts at the time of its installation, and (B) such generator(s) are powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated wood waste and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock waste or anaerobic digestion of food processing waste, fuel cells powered by renewable fuels or microturbines powered by renewable fuels, or hydroelectric energy.

IEEE STANDARD 1547 – The Institute of Electrical and Electronic Engineers, Inc. (IEEE) Standard 1547 (2003) "Standard for Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.

IEEE STANDARD 1547.1 – The IEEE Standard 1547.1 (2005) "Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.

INTERCONNECTION SYSTEM - The Distributed Generation facility and all equipment, including metering equipment, necessary to connect and integrate the Distributed Generation into the Cooperative's electric distribution system.

NAMEPLATE RATING – The maximum electric energy production capability of a generator, specified in alternating current ("AC") kilowatts after the inverter device(s).

SMALL DISTRIBUTED GENERATION FACILITY (FACILITIES) – Associated with CMEC Board Policy #42-3. One or more electricity production resources which meet all the following criteria: (1) owned by a member of the Cooperative, (2) located in the retail service area of the Cooperative, (3) connected to and operating on the member's low-voltage electric premises wiring associated with a single, specified service metering point, (4) the total combined Nameplate Rating for such resources at the single, specified service metering point is less than or equal to 100 kilowatts and sized to offset no more than 110% of the member's load over the previous 12 months (if 12 months of data is not available, the average amount of a similar member shall be used), (5) such resources produce electric energy using biomass, waste, renewable resources, including wind, solar energy, or water, and (6) such resources are not taking service under PPI Policy #504 (net metering) or CMEC Board Policy #42-1 or under PPI Policy #509 (QF) or CMEC Board Policy #42-2.

SMALL POWER PRODUCTION FACILITY – Associated with CMEC Board Policy #42-2. A facility that produces electric energy using biomass, waste, renewable resources, including wind, solar energy, and water, or which, together with other facilities at the same site, has a generating capacity equal to or less than 80 megawatts.

UL STANDARD 1741 – Underwriters Laboratories' standard titled "Inverters, Converters, and Controllers for Use in Independent Power Systems", November 7, 2005, edition, as amended and supplemented.

III. APPLICABILITY

This interconnection policy applies to Cooperative members proposing to install and interconnect distributed generation facilities that:

A. Have a nameplate capacity equal to or less than 80 MW

B. Are not subject to the interconnection requirements of MISO: and

C. Are designed to operate in parallel with the Cooperative's electric distribution system.

IV. INTERCONNECTION REQUESTS

A. Members seeking to interconnect a distributed generation facility shall submit an interconnection request using the form attached hereto as Attachment A.

B. Interconnection equipment shall be deemed to be lab certified if it is evaluated by a nationally recognized testing laboratory (NRTL) and found to be in compliance with IEEE 1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity), UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems and NFPA 70 National Electrical Code.

C. The member must submit to the Cooperative plans of the proposed installation and must obtain approval for the installation. The approval process will include a review by the Cooperative of the effect of the proposed distributed generation facility on the Cooperative's electric distribution system, including the protective equipment and apparatus incorporated into the distributed generation facility for removing the facility from the Cooperative's electric distribution system. In the event the Cooperative, in their sole discretion, determines it is necessary to obtain an engineering analysis for the protection of the Cooperative's electric distribution system, the Cooperative shall estimate the costs of said study and the member shall pay the estimate, and upon receipt of the payment by the Cooperative, the Cooperative shall order the engineering analysis and provide the results to the member. No installation will be permitted that reduces reliability to other members or causes voltage conditions on the system to be outside of the limits of ANSI C84.1 Range A. No installation will be permitted that is expected to produce objectionable harmonics on the Cooperative's electric distribution system. Any mitigation required to resolve harmonic problems created by a member-owned generator will be completed and paid for by the member prior to execution of steps taken to ensure mitigation.

V. EXPEDITED REVIEW

A. The Cooperative shall review the application and evaluate the potential for adverse electric distribution system impacts. Any costs of construction of facilities on the Cooperative's electric distribution system to accommodate the distributed generation facility shall be paid by the member.

B. The Cooperative shall, within 60 days after receipt of the interconnection request, inform the applicant that the interconnection request is complete or incomplete and, if so, what materials are missing.

C. The Cooperative shall, within 60 days after the end of the 60 days noted in B, verify that the distributed generation facility equipment can be interconnected safely and reliably.

D. Unless the Cooperative determines that a distributed generation facility cannot be interconnected safely or reliably to its electric distribution system and provides a letter to the applicant explaining its reasons for denying an interconnection request, the Cooperative shall approve the interconnection request subject to the following conditions:

1. The distributed generation facility has been approved by local or municipal electric code officials with jurisdiction over the interconnections; and

2. A certificate of completion has been returned to the Cooperative. Completion of local inspections may be designated on inspection forms used by local inspecting authorities, and

3. The applicant has signed a standard distributed generation interconnection agreement and provided proof of insurance or otherwise complied with the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation (the Agreement). When an applicant does not sign the Agreement within 30 business days after approval of the interconnection from the Cooperative, the interconnection request may be deemed withdrawn unless the applicant requests to have the deadline extended. The request for extension shall not be unreasonably denied by the Cooperative.

E. When a distributed generation facility is not approved, the applicant may submit a new interconnection request for consideration under this policy.

VI. INSURANCE REQUIREMENTS AND INDEMNIFICATION

A. Prior to approval of the interconnection application, the installing contractor shall provide proof as an approved vendor by the Illinois Power Agency. Moreover, proof of commercial general liability insurance coverage of at least $1,000,000 per occurrence and $2,000,000 in the aggregate per year shall be required with the Cooperative named as an additional interest or certificate holder. If the installing contractor is not an approved

vendor with the Illinois Power Agency or does not carry the required liability coverage aforementioned, the requesting Member shall provide proof of liability coverage associated with their homeowner's insurance policy. If the requesting Member is a business, the coverage shall be included in the business insurance policy. The liability insurance policy shall be issued by a licensed insurance carrier with an A. M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the distributed generation facility under this agreement. All policies shall provide the Cooperative with no less than thirty (30) days' notice of cancellation, modification, or expiration.

B. The member shall indemnify the Cooperative, its officers, agents, and employees against all loss, damage, expense and liability to any persons, including members, for injury to or death of persons or injury to property, including but not limited to consequential damages, interest, punitive damages, member's fees and court costs, proximately caused by the indemnifying party's construction, ownership, interconnection, operation, or maintenance of, or by failure of, any of such party's works or facilities used in connection with the operation of the distributed generation facility.

VII. MISCELLANEOUS REQUIREMENTS

A. The Cooperative shall be reimbursed for all costs of interconnection, including all costs incurred by the Cooperative in connecting the member's distributed generation facility to the Cooperative's electric distribution system.

B. The Cooperative shall have reasonable access at all times to the member's distributed generation facility and interconnection equipment to monitor Cooperative-supplied service equipment connected to such system, or to disconnect the system or the member's utility source of power if the facility is not in compliance with the requirements of IEEE 1547 and the non-compliance adversely affects the safety or reliability of the Cooperative's electric distribution system. The Cooperative shall provide reasonable notice to the member prior to disconnection of the facility if possible.

C. The member shall not modify in any way the interconnection system without prior approval of the Cooperative. The approval process for modification shall be provided for in this policy for new interconnection systems. The Cooperative shall have the right to inspect and approve all plans for distributed generation facilities and the interconnection systems prior to initial operation or subsequent operation following modifications.

D. The member shall operate the interconnection system in such a manner that prevents interference on the Cooperative's electric distribution system.

E. The member shall not energize the Cooperative's electric distribution system during any period of utility service interruption.

F. To ensure the safety of those servicing the interconnection system, including Cooperative employees, the member's equipment must contain a disconnect device to which the Cooperative has access and which the Cooperative can lock in an open position to disconnect the member's distributed generation facility from the Cooperative's electric distribution system. The disconnect device shall be placed within six feet (6') of the main billing meter provided by the Cooperative.

G. Distributed generation facilities may be disconnected by the Cooperative from its electric distribution system whenever, in the sole opinion of the Cooperative, such action is required by an emergency, for reasons of safety or due to interference with service to other members.

H. The distributed generation facility shall be subject to the Cooperative's requirements for maintaining voltage standards of output and the production of reactive power.

I. Phase, frequency, and voltage of the member's interconnected distributed generation facility shall be compatible with that provided by the Cooperative.

J. The member shall pay the cost of operating the interconnected distributed generation facility, including transmission, distribution, metering, service, and other facilities costs necessary to permit interconnected operations with the Cooperative and to allow the Cooperative to operate on a cooperative basis.

K. The member shall pay to the Cooperative the Cooperative's costs incurred for meter reading, routine inspection, service fees, trip fees, administrative fees, and such other fees that may be reasonably incurred by the Cooperative as a result of the member's operation of the interconnection system.

L. Any auxiliary or reserve power service required by the member must be arranged in accordance with the terms of the Cooperative's applicable policies/rates as modified from time to time.

M. In the event of any dispute that arises under the terms of this Agreement, by virtue of the member application for Distributed Generation, the Cooperative action upon said Application, the installation of the interconnected distributed generation facility, the operation of the interconnected distributed generation facility or any other matter concerning the member's interconnected distributed generation facility, either party shall provide the other Party with a written

Notice of Dispute describing in detail the nature of the dispute. If the dispute has not been resolved by the member and the Cooperative within 30 days after receipt of the Notice, the matter shall be submitted to binding Arbitration, under the Rules for Arbitration established by the American Arbitration Association as said rules may exist at the time of Arbitration. The Arbitration shall be held at the offices of the Cooperative on a date and at such time as may be mutually convenient to the parties but in no event later than 60 days after the initiation of Arbitration (90 days after receipt of written Notice of Dispute).

APPROVED BY THE BOARD OF DIRECTORS

_____

CHAIRMAN OF THE BOARD

EFFECTIVE DATE: February 1, 2008

REVISED DATE: April 28, 2011
August 28, 2014
March 26, 2015
February 24, 2022
April 27, 2023
May 28, 2026

ATTACHMENT A

COLES-MOULTRIE ELECTRIC COOPERATIVE
Application for Operation of
Member-Owned Generation

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

PLEASE NOTE: *This application is used by the Cooperative to determine the required equipment configuration for the Member interface. Failure to provide sufficient information may result in rejection of the Application.*

PART 1
OWNER/APPLICANT INFORMATION

Owner/Member

Name:_____

Acct #_____

Mailing Address:_____

City:_____County:_____State:_____Zip

Code:_____

Phone

Number:_____Representative:_____

Email Address:_____

Fax Number:_____

PROJECT DESIGN/ENGINEERING (ARCHITECT) (as applicable)

Company:_____

License/Registration Number _____

Mailing Address:_____

City:_____County:_____State:_____

Zip Code:_____

Phone Number:_____

Representative:_____

Email Address:_____

Fax Number:_____

ELECTRICAL CONTRACTOR (as applicable)

Company:_____

IPA License/Registration Number_____

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 member 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):_____
I_2^2t 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^o): _____
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) _____

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.

The member agrees to execute and be bound by the Agreement for Interconnection and Parallel Operation of Distributed Generation (Board Policy #43, Attachment B) and the Board policies of Coles Moultrie Electric Cooperative as said policies may be amended from time to time.

_____
Applicant

_____
Date

ELECTRIC COOPERATIVE CONTACT FOR APPLICATION SUBMISSION AND FOR MORE

INFORMATION:

Cooperative contact: _____

Title: _____

Address: _____

_____

_____

Phone: _____

Fax: _____

e-mail: _____

ATTACHMENT B

AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

DATE OF AGREEMENT: _____

COLES-MOULTRIE ELECTRIC COOPERATIVE, hereinafter "Cooperative"

_____

_____

_____ hereinafter "Member"

_____

_____

This Agreement for Interconnection and Parallel Operation of Distributed Generation (hereinafter "Agreement") is made and entered the date indicated above between **COLES-MOULTRIE ELECTRIC COOPERATIVE** (hereinafter referred to as "Cooperative"), an electric cooperative organized under the laws of the State of Illinois, and_____, (hereinafter referred to as "Member"), a member/owner of the Cooperative presently receiving electric service from Cooperative, each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties".

In consideration of the mutual covenants set forth herein, and other good and valuable consideration, the sufficiency and receipt thereof is hereby acknowledged, the Parties agree as follows:

1. Scope of Agreement – This Agreement addresses the conditions under which the Cooperative and Member agree that one or more distributed generation facilities (herein "distributed generation" and more particularly described in Exhibit A) owned and/or operated by Member with a nameplate rating of 80 MW or less, can be interconnected at 12.5/7.2kv or less (collectively hereinafter sometimes referred to as the "Facilities" to the Cooperative's electric power distribution system (hereinafter sometimes referred to as the "System"). This Agreement shall not entitle the Member to electric service beyond the terms of a separate membership agreement for service or service that would contravene or result in a violation of the Cooperative's rules, policies, regulations, by-laws and rates (hereinafter collectively "Requirements").

2. Establishment of Point of Interconnection –Cooperative and Member agree to interconnect the Facilities at the location(s) specified in Exhibit A "Point of Interconnection" in accordance with the terms of the Cooperative's policy on Interconnection and Parallel Operation

of Distributed Generation and the Institute of Electrical and Electronic Engineers (IEEE) Standards 1547, 1547.1 and UL Standard 1741.

3. Responsibilities of Cooperative and Member for Installation, Operation and Maintenance of Facilities – Member will, at member's cost and expense, install, operate, maintain, repair, and inspect, and shall be fully responsible for, its facilities and interconnection facilities, unless otherwise specified on Exhibit A. Member shall conduct operations of its facilities and interconnection facilities in compliance with all aspects of the Cooperative's requirements and in accordance with industry standards and prudent engineering practice. Maintenance of facilities and interconnection facilities shall be performed in accordance with the applicable manufacturers' recommended maintenance schedule. Member agrees to cause its facilities and interconnection facilities to be constructed in accordance with Board Policy #43 (Interconnection and Parallel Operation of Distributed Generation). The Cooperative shall have the right to inspect and require changes prior to energizing for the purpose of insuring the compatibility of the member's distributed generation facility with the system. Phase, frequency and voltage of the member's facilities or interconnection facilities shall be compatible with that provided by the Cooperative.

Member shall comply with all applicable Federal, State and local laws, regulations, zoning codes, building codes, safety rules and environmental restrictions applicable to the design, installation, operation and maintenance of its facilities and interconnection facilities.

The Cooperative will notify Member if there is evidence that the facilities' or interconnection facilities' operation causes disturbance, disruption or deterioration of service to other members served from the System or if the facilities' or interconnection facilities' operation causes damage to the System. If this condition persists, the Cooperative shall have the right to disconnect Member from the System. Member will notify the Cooperative of any emergency or hazardous condition or occurrence with Member's facilities or interconnection facilities which could affect safe operation of the System.

4. Operator in Charge – Member shall provide a phone number and address of an individual contact person with knowledge of this agreement, who is familiar with the installation, maintenance and operation of the interconnection facilities and with the authority to disconnect one or more of the facilities from the system in the event the Cooperative so requires.

5. No Power Sales to Cooperative - Interconnection of the Facilities with the System does not grant Member the right to export power, nor does it constitute an agreement by the Cooperative to purchase or wheel power. Purchase of excess facility capacity is governed by the Cooperative's Board Policy #42-1 (Net Metering), Board Policy #42-2 (Interconnection of and Service to Qualifying Facilities Under PURPA), and Board Policy #42-3 (Small DG Facilities Incentive).

6. Limitation of Liability and Indemnification

a. Notwithstanding any other provision in this Agreement, with respect to the Cooperative's provision of electric service to Member and the services provided by the Cooperative pursuant to this Agreement, Cooperative's liability to Member shall be limited as

set forth in the Cooperative's rules, bylaws, policies, contracts, and terms and conditions for electric service, which are incorporated herein by reference, and in no event shall the Cooperative be liable for loss of profit, loss of operation time, or loss of or reduction in use of any facilities or any portion thereof, increased expense of construction, operation or maintenance, or for any special, indirect, incidental, or consequential damages resulting from the construction, operation or maintenance of the member's facility.

b. Member shall be responsible for the safe installation, maintenance, repair and condition of lines, wires, switches, or other equipment or property on its side of the point of interconnection. The Cooperative does not assume any duty of inspecting Members' lines, wires, switches, or other equipment or property and will not be responsible therefor. Member assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of interconnection.

7. Testing and Testing Records – Member shall perform or cause to be performed such tests as the Cooperative may reasonably require to ensure compatibility of the Member's facilities with the Cooperative's system and shall provide to the Cooperative all records of testing. Testing of protection systems shall comply with existing industry standards and practices. These records shall include testing at the start of operation and periodic testing thereafter. Factory testing of pre-packaged interconnection facilities and the protective systems of small units shall be acceptable in the absence of reasonable grounds for additional testing. In the case of a factory test, Member shall provide a written description and certification by the factory of the test, the test results, and the qualification of any independent testing laboratory. In addition, Member shall obtain approval by the Cooperative of the settings of the equipment being installed prior to operation.

8. **Right of Access, Equipment Installation, Removal & Inspection** – The Cooperative shall have free access to the member's distributed generation facility and interconnection equipment at all times to monitor the Cooperative-supplied service equipment connected to such system, or to disconnect for good cause, without prior notice to the member, the member's equipment from the Cooperative's electric distribution system.

The Cooperative shall also have access to Member's premises and to operational records for any reasonable purpose in connection with the interconnection described in this Agreement, the Requirements, or to provide service to its members.

9. Disconnection of Facilities – Member retains the option to disconnect its facilities from the Cooperative's System at any time, provided that Member notifies the Cooperative of the member's intent to disconnect by giving the Cooperative at least thirty (30) days' prior written notice. Such disconnection shall not be a termination of this Agreement unless Member exercises rights under Section 12 that do not lead to a resolution of the issue.

Member shall disconnect Facilities from the System upon the effective date of any termination resulting from and required by actions under Section 12.

The Cooperative may disconnect the distributed generation facilities from its system whenever, in the sole opinion of the Cooperative, such action is required by an emergency, for reasons of safety or due to interference with service to other members. The facility shall also be

subject to the Cooperative's requirements for maintaining voltage standards of output and the production of reactive power.

10. Metering – The Cooperative shall be reimbursed for all costs of interconnection, including all carrying and metering costs, incurred by the Cooperative in connecting the member distributed generation facility to the electric distribution system. Metering shall meet accuracy standards required for equivalent electrical services and can be accomplished with standard meters or any devices that meet data collection and accuracy requirements.

11. Insurance – Prior to approval of the interconnection application, the installing contractor shall provide proof as an approved vendor by the Illinois Power Agency. Moreover, proof of commercial general liability insurance coverage of at least $1,000,000 per occurrence and $2,000,000 in the aggregate per year shall be required with the Cooperative named as an additional interest or certificate holder. If the installing contractor is not an approved vendor with the Illinois Power Agency or does not carry the required liability coverage aforementioned, the requesting Member shall provide proof of liability coverage associated with their homeowner's insurance policy. If the requesting Member is a business, the coverage shall be included in the business insurance policy. The liability insurance policy shall be issued by a licensed insurance carrier with an A. M. Best rating of B+ or better that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the member's ownership and/or operation of the distributed generation facility under this agreement. All policies shall provide the Cooperative with no less than thirty (30) days' notice of cancellation, modification, or expiration.

The Member agrees to indemnify the Cooperative, its officers, agents, and employees against all loss, damage, expense and liability to any persons, including members, for injury to or death of persons or injury to property, including but not limited to consequential damages, interest, punitive damages, member's fees and court costs, proximately caused by the indemnifying party's construction, ownership, interconnection, operation, or maintenance of, or by failure of, any of such member's works or facilities used in connection with the operation of the distributed generation facility.

12. Effective Term and Termination Rights – This Agreement shall have a term of one (1) year from the date on which it is executed, the initial term. This Agreement shall be automatically renewed each year for an additional one-year term, without notice to either party, and shall remain in full force and effect for no more than twenty-four (24) one (1) year additional terms, a potential total term of twenty-five (25) years, subject to the following rights of the parties:

(a) Member may terminate this Agreement on the last day of the initial one-year term or on the last day of a subsequent one-year additional term by giving written notice to the Cooperative at least sixty (60) days prior to the date upon which the term would end; or

(b) The Cooperative may terminate this Agreement on the last day of the initial one (1) year term or on the last day of a subsequent one (1) year additional term by giving written notice to the Member at least sixty (60) days prior to the date upon which the term would end.

(c) Notwithstanding the provisions of Paragraph (a) and (b) of this Paragraph 12, this Agreement may be terminated as follows:

(1) Member may terminate this Agreement at any time by giving the Cooperative at least sixty (60) days' written notice

(2) Cooperative may terminate upon failure by Member to generate energy from the Facilities within six (6) months after completion of the interconnection

(3) Either Party may terminate by giving the other Party at least thirty (30) days' prior written notice that the other Party is in default of any of the terms and conditions of the Agreement or the Rules or any rate schedule, regulation, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default

(4) Cooperative may terminate at any time by giving at least sixty (60) days'written notice to the Member of a material change in an applicable law, or any change in policy or procedure pertaining to distributed generation by the Cooperative's wholesale electric supplier, or a change in requirements of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System

(5) Cooperative may terminate this Agreement upon three (3) business days' written notice if Member ceases to receive electric service from Cooperative or is in default of terms or conditions for electric service then in effect for members of the Cooperative; and

(6) The Cooperative may terminate the contract immediately and without notice in the event that the Member commences an action or proceeding under any bankruptcy, insolvency or similar law for the protection of debtors or creditors, or in the event that the Member is unable for any reason to pay any financial obligation owed by the Member to the Cooperative or in the event that the Member violates any provision of the Bylaws or Policies of the Cooperative applicable to the general memberships and/or members participating in co-generation, as said Bylaws or Policies may be amended from time to time.

13. Compliance with Laws, Rules and Regulations– Member shall be responsible for complying with all federal, state and local laws. In the event Member's facilities, interconnection or disposition of electricity generated by the distributed generation are, or become, subject to Federal, State or local regulation, Member is, and shall be, responsible for regulatory compliance. The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the Rules and the Cooperative's policies governing interconnection of distributed generation. The Cooperative reserves the right to change the Rules and policies at any time.

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

15. Amendment – This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

16. Entirety of Agreement – This Agreement, including the requirements contained in the attached Exhibits and Facilities Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein or in Member's application, or other written information provided by the Member in compliance with these requirements.

17. Assignment – This Agreement may be assigned to a party receiving electric service from the Cooperative at the site of the Facilities only upon the express written consent of the Cooperative. The assignee will be responsible for the proper operation and maintenance of the Facilities, and must agree in writing to be subject to all provisions of this Agreement. Cooperative may assign the Agreement to another entity without the approval of the Member. Required consents shall not be withheld unreasonably.

18. Notices – Notices given under this Agreement are deemed to have been duly delivered once received by United States certified mail, return receipt requested, postage prepaid, to:

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

19. Invoicing and Payment – Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable Cooperative policies.

20. 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.

21. Waiver - The failure of either party to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights or duties of the provisions in this Agreement.

22. Governing Law and Jurisdiction – It is agreed that this Agreement shall be construed and governed in accordance with the laws of the State of Illinois and that the Circuit Court for the Fifth Judicial Circuit, Coles County, Illinois, has jurisdiction on all matters relating to the enforcement of this Agreement.

23. In the event of any dispute that arises under the terms of this Agreement, by virtue of the member application for Distributed Generation, the Cooperative action upon said Application, the installation of the interconnected distributed generation facility, the operation of the interconnected distributed generation facility or any other matter concerning the member's interconnected distributed generation facility, either party shall provide the other Party with a written Notice of Dispute describing in detail the nature of the dispute. If the dispute has not been resolved by the member and the Cooperative within 30 days after receipt of the Notice, the

matter shall be submitted to binding Arbitration under the Rules for Arbitration established by the American Arbitration Association as said rules may exist at the time of Arbitration. The Arbitration shall be held at the offices of the Cooperative on a date and at such time as may be mutually convenient to the parties but in no event later than 60 days after the initiation of Arbitration (90 days after receipt of written Notice of Dispute).

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

COLES-MOULTRIE ELECTRIC COOPERATIVE MEMBER: _____

BY: _____

TITLE: _____

_____

WITNESS: _____

EXHIBIT A

DESCRIPTION OF FACILITY SCHEDULE AND POINT OF INTERCONNECTION

Facility Schedule No. Point of Interconnection

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

FACILITIES SCHEDULE NO.

1. Name:
2. Facilities location:
3. Delivery voltage:
4. Metering (voltage, location, losses adjustment due to metering location, and other:
5. Normal Operation of Interconnection:
6. One line diagram attached (check one):/_____ Yes /_____ No
7. Facilities to be furnished by Cooperative:
8. Facilities to be furnished by Consumer:
9. Cost Responsibility:
10. Control area interchange point (check one): /_____ Yes /_____ No
11. Supplemental terms and conditions attached (check one): /_____ Yes /_____ No
12. Cooperative requirements for DG interconnection attached (check one): /_____ Yes / _____ No

COLES-MOULTRIE ELECTRIC COOPERATIVE MEMBER: _____

BY: _____

TITLE: _____

DATE:_____