



pa ulding pu tnam
ELECTRIC COOPERATIVE, INC
Your Touchstone Energy[®] Cooperative 

TERMS AND CONDITIONS FOR SUPPLYING ELECTRIC SERVICE

Effective January 10, 2019

TABLE OF CONTENTS

GENERAL STATEMENT	5
SECTION I – REQUIREMENTS FOR ELECTRIC SERVICE	
A. Area Coverage	6
B. Membership Application	6
C. Application Fee.....	6
D. Residency	6
E. Security Deposit.....	6
F. Rate Schedule.....	6
G. Capital Credits	6
H. Discontinuance of Service	6
I. Denial of Service.....	6
J. Load Limiters.....	6
SECTION II – SERVICE AND FACILITIES	
Inspection.....	7
Service Connection	7
Secondary Underground/Overhead Service.....	8
A. Single-Family Residence	9
B. Multiple Applications for Service.....	9
C. Other Temporary Constructions, Permanent or Seasonal Single-Phase Services	9
D. Electric Extension to a Development.....	9
E. Multi-Unit Residence.....	10
F. Temporary Electric Service	10
G. Individual Three Phase Service	10
H. Outdoor Lighting	11
SECTION III – USE AND RESPONSIBILITY OF ELECTRIC SERVICE	
Attachments & Unauthorized Communications Devices Prohibited.	11
A. Use of Electric.....	11
B. Cooperative’s Responsibility	12
C. Member’s Responsibility	13
D. Metering.....	14
E. Idle Services.....	15
SECTION IV – QUALITY AND CONTINUITY OF ELECTRIC SERVICE	
A. Construction Standards	15
B. Tree & Right-of-Way Clearance.....	16

SECTION V – SPECIAL MEMBER SERVICE REQUESTS	
A. Conversion from Overhead to Underground Service	17
B. Relocation of Electric Facilities.....	17
C. Service Upgrade.....	17
D. Excess Facilities.....	18
E. Emergency Generation.....	18
F. Distributed Generation.....	18
G. Commercial or Industrial Distributed Generation	18
SECTION VI – BILLING AND PAYMENT FOR SERVICE	
A. Billing & Payments.....	19
B. Budget Billing.....	19
C. Operation Round Up®	20
D. Unauthorized Diversion/Connection of Electric Service – Meter Fraud	20
SECTION VII – COLLECTION AND DISCONNECT PROCEDURES FOR NONPAYMENT	
A. Termination of Service for Nonpayment	20
B. Residential Payment Arrangements.....	21
C. Non-Residential Payment Arrangements.....	21
D. Reconnect of Electric Service Disconnected for Non-Payment ..	21
E. Medical Certification	21
SECTION VIII – TERMINATION OF ELECTRIC SERVICE FOR REASONS OTHER THAN NONPAYMENT	21
SECTION IX – MEMBER FINANCIAL SECURITY	
A. Residential Security Deposits	22
B. Commercial/Industrial Security Deposits.....	23
C. Debts Other Than Electric Service	23
SECTION X – PARTICIPATION IN LOAD MANAGEMENT PROGRAMS	23
SECTION XI – SERVICE CLASSIFICATION	
A. Residential Service.....	24
B. General Service.....	24
C. Commercial Service.....	24
D. Renewables	25
SECTION XII – OPERATIONAL POLICY FOR QUALIFYING COGENERATION AND SMALL POWER PRODUCTION FACILITIES	25
SECTION XIII – RULES AND REGULATIONS FOR QUALIFYING COGENERATION AND SMALL POWER PRODUCTION FACILITIES	26

SECTION XIV – NOMINAL VOLTAGE LEVELS.....	28
SCHEDULE OF FEES AND CHARGES.....	30
APPLICATION FOR INTERCONNECT	31
EXHIBIT A – AGREEMENT FOR INTERCONNECTION.....	33
ATTACHMENT A	42
ATTACHMENT B.....	43
ATTACHMENT C.....	44
ATTACHMENT D.....	45
ATTACHMENT E.....	46
EXHIBIT B – AGREEMENT FOR QUALIFYING CO-GEN	47
ATTACHMENT A.....	54
ATTACHMENT B.....	55
ATTACHMENT C.....	56
ATTACHMENT D.....	57
ATTACHMENT E.....	58
EXHIBIT C - AID TO CONSTRUCTION UTILITY AGREEMENT ..	59

GENERAL STATEMENT

The Cooperative's *Terms and Conditions of Service* to its Members are hereby adopted by the Board of Trustees.

As hereinafter used, "member" shall be construed to be any member or member using Cooperative's electric service, and all the following *Terms and Conditions of Service* are applicable to all members of the Cooperative regardless of membership status.

As hereinafter used, "Cooperative" is construed to mean the management of the Cooperative.

The Cooperative shall be governed in its operations by the *Code of Regulations* as amended and approved by the membership. Any conflicts in the following *Terms and Conditions of Service* and the *Code of Regulations* shall be resolved with the *Code of Regulations* having precedence. All members should read a copy of the *Code of Regulations* as provided on the Cooperative's website: www.ppec.coop.

It shall be the responsibility of management to implement these *Terms and Conditions of Service* with such supplementary administrative rules, forms and/or specifications as may be necessary to properly enforce and carry out the intent of these *Terms and Conditions of Service* as well as administer and properly apply the Cooperative's electric rate schedules.

If a conflict occurs between any provision(s) set forth in these *Terms and Conditions of Service* and state or federal governmental regulatory authority, or laws of this state, the latter shall take precedence.

SECTION I - REQUIREMENTS FOR ELECTRIC SERVICE

- A. Area Coverage: Paulding Putnam Electric Cooperative shall provide electric service to those members locating in the service area of the Cooperative upon terms and conditions set forth hereto.
- B. Membership Application: All persons, farms, and commercial businesses receiving electric service from the cooperative shall be considered members and shall be bound by the Code of Regulations and *Terms and Conditions of Supplying Electric Service*, and the applicable rate schedule.
To better provide member/applicants with valuable information, member/applicants agree to receive automated informational phone messages for all business and emergency purposes (such as annual meeting notification, emergency, and planned electrical outages) as well as all collection purposes, which may include but not be limited to contact by automated calls (including calls to wireless numbers), text messaging, email, and/or fax.
- C. Application Fee: There shall be an application fee to establish an account in the member's name as set by the Board of Trustees.
- D. Residency: Before the Cooperative shall be required to furnish service, the Cooperative may request that a member submit written specifications of electrical apparatus to be operated by service, and to furnish the Cooperative a detailed sketch giving the location of the member's facilities. Such requests will be limited to specific instances where such information significantly assists the Cooperative in designing and sizing its local facilities
- E. Security Deposit: The applicant (residential, commercial or industrial) may be required to provide security of payment. Service will not be provided until all applicable fees, deposits, letters of credit and/or credit checks have been received or verified.
- F. Rate Schedule: The Cooperative shall make the determination of the appropriate rate schedule. Rate schedules are set by the Board of Trustees, with or without notice, and can be updated at any time as deemed necessary.
- G. Capital Credits: The Board of Trustees shall determine the retirement of capital credits annually to the membership, this includes general and estate retirements. Capital Credits shall be retired to patrons on a cycle that matches the useful life of the utility equipment used to serve the membership. Capital credits will be applied as a credit on your bill or a check mailed to last known address.
- H. Discontinuance of Service: Members who are over 30 days delinquent will receive a disconnect letter. The Cooperative will access a fee in accordance with the tariff as approved by the Board of Trustees. The Cooperative reserves the right to discontinue to serve any member without notice in case of an emergency or to prevent theft from or fraud upon the Cooperative.
- I. Denial of Service: Where a person who is delinquent on an account in his or her name resides at the same location served through the delinquent account, service shall not be provided to that location through an account in the name of any other present or prospective member. A person who is delinquent on an account in his or her name shall not be provided service at any other locations until such debt is settled and all applicable fees and deposits are paid.

- J. Load Limiters: For qualified disconnections during the designated heating/cooling season, the Cooperative reserves the right to the use of load (amperage) limiting devices.

Any conflict between these Terms and Conditions for Electric Service and the Code of Regulations shall be resolved by the Code of Regulations.

SECTION II - SERVICE AND FACILITIES

INSPECTION

It is in the interest of the member to properly install and maintain the member's wiring and electrical equipment. If no governmental authority has jurisdiction over the wiring owned by the member, said member wiring shall be installed in accordance with the current edition of the *National Electrical Code* and the specifications and regulations of the Cooperative.

Where a member's premises are in a municipality or other governmental subdivision where inspection laws or ordinances are in effect, the Cooperative may withhold furnishing service to new installations until it has received evidence that the property is in compliance. The Cooperative may suspend furnishing service or disconnect electric service where unsafe conditions exist.

Where the member's premises are located outside an area where inspection service is in effect, the Cooperative may require an agreement duly signed by the owner authorizing the connection to the wiring system and assuming no responsibility therefore.

No responsibility shall attach to the Cooperative because of any waiver of these requirements.

SERVICE CONNECTION

A pre-construction meeting with a PPEC representative is required for any new electric service or line extension to determine the location of distribution facilities including metering equipment and to determine the amount of contribution in Aid to Construction if applicable. The Cooperative shall have sole discretion as to the location of all distribution facilities; however, will work cooperatively with the member when a member desires delivery to a point or manner other than that designated by the Cooperative. The member shall pay the additional cost of same.

The prospective member, builder or developer requesting service will install, at a minimum, a driveway, well and septic system to be in place before permanent service is installed for residential services. Subdivisions shall have installed roads, curbs, sanitary, storm, water and final grade completed prior to the installation of primary or secondary underground equipment. The Cooperative also reserves the right to **de-energize** any of its facilities if the grade is not to its safety standards.

The member, builder or developer shall install the meter base in the manner and location specified by the Cooperative. The meter base shall be kept sealed, under control of the Cooperative and maintained by the member. In those instances where electric service is supplied to a low-profile structure separate and apart from the electric facility, then the member or developer shall install a fused disconnect or breaker on the low-profile structure on the member's side of the meter base.

Easements for each new service request shall be granted, notarized, and recorded prior to the installation of permanent electrical service. This shall include easements required of adjoining

landowners. No monetary payment shall be made for such easements to the Cooperative's members. Any monetary payment necessary for easements of non-members shall be included as "Aid to Construction" and be the responsibility of the member requesting service.

The member shall grant to the Cooperative and the Cooperative will maintain easement and/or right-of-way according to its specifications with the right to cut, trim and control the growth of vegetation using mechanical or chemical methods within the easement and/or right-of-way or that may interfere with or threaten to endanger the operation or maintenance of the Cooperative's electric facilities.

The minimum widths shall be as follows:

<u>Distribution Type</u>	<u>Width</u>	<u>From Centerline</u>
Overhead Three Phase Primary	30'	15'
Underground Three Phase Primary	20'	10'
Overhead Single-Phase Primary	30'	15'
Underground Single-Phase Primary	20'	10'
Overhead Three Phase Secondary	20'	10'
Underground Three Phase Secondary	20'	10'

An engineering impact study shall be completed for services requesting greater than 400 amps services. Member must provide a list of anticipated motor sizes of motors greater than 15hp connected to the service. In addition, the member must also list the type of starter that will be used to start each motor. Variable frequency drive starters must not use a carrier frequency of 12.5 kHz +/- 2.5 kHz as this has the potential to interfere with the Cooperative's communication to area meters.

SECONDARY UNDERGROUND/OVERHEAD SERVICE

The member will pay the costs associated with the trench and conduit for the original installation of secondary underground conductor. All secondary trenches shall be at a minimum of 30" below ground level at the time of installation. The Cooperative will install the wire and make connections after the trench is ready.

For meters installed on the structure, the member will run the wire from the bottom lugs of the meter base to the main disconnect panel located no more than six (6) wire feet from the meter. For overhead services, the member will also install the wire from point of entrance, extending at least 18 inches beyond the building, to the top lugs of the meter base.

Members requesting underground service to any mobile home will pay the full cost of the underground wire, conduit, and trench. They are also required to purchase a combination meter base/fusible disconnect at the current cost to the Cooperative. Maintenance of the breakers within the combination unit are the sole responsibility of the member. The meter base shall not be installed on any mobile structure.

Permanent service shall not be energized until all applicable permits and/or easement(s) are received and all fees regarding Aid to Construction are paid. The Aid to Construction fee will include the labor and cost of material, billed at the current cost to the cooperation.

All electric facilities installed by the Cooperative shall remain its property unless otherwise agreed to in writing.

A. Single-Family Residence

A permanent single-family residence is defined as a home used for habitation with its own water system, sewage system and permanent foundation.

A line extension shall include all incremental capital costs associated with connecting a new customer to the delivery system, excluding the cost of a standard transformer and the meter. The Cooperative shall extend single-phase primary electric distribution facilities to a permanent single-family residence.

Where a single-family house is converted to include separate living quarters or dwelling units for more than one family, or where two or more families occupy a single-family house with separate cooking facilities, the owner may, instead of providing separate wiring for each dwelling unit, take service through a single meter under the residential service schedule. In such case, there will be a single member charge.

In extending service to a permanent customer, the Cooperative shall charge a Contribution In Aid of Construction (CIAC) on the cost of providing service in excess of \$1,300.

B. Multiple Applications for Service

When two (2) or more applications result in the applicants receiving permanent service from the same extension, the amount of extension installed at no charge shall be the number of applications times \$1,300.

C. Other Temporary Construction, Permanent or Seasonal Single-Phase Services

The Cooperative shall extend single-phase electric distribution facilities to a member that is a non-permanent structure provided the member pays a Contribution In Aid to Construction (CIAC) at 100% of the total installed cost of extending service. Types of service are, but not limited to, a barn, garage, pump, grain dryer, electric fences, cabin, trailer, billboard etc.

If, within a five (5) year period, additional customers take service (i.e. transformer, service line and meter) from the original line extension, whether single-family residence, multiple applications for service or temporary, but not laterals or extensions there from, the original applicant shall be refunded the lesser of the original contribution or \$1,300 for each additional customer taking service, up to the amount of the original applicant's contribution. In no event shall the original applicant be refunded an amount greater than the initial CIAC. The original applicant must continue to own the property for which service was requested to be eligible for refunds. It is the responsibility of the applicant to request refunds from the Cooperative.

D. Electric Extension to a Development

When service is requested to a development prior to actual construction or occupation of the project, the Cooperative shall charge a non-refundable prepay of the CIAC of \$100 per lot. The prepayment shall be applied as a future credit against any CIAC. PPEC shall charge a CIAC

based on an estimate of expected net revenue from the number of lots that the Cooperative expects to be occupied at the end of five (5) years from the date of construction. Net revenue is the annual expected revenue from a customer less the purchase power costs associated with serving that customer.

E. Multi-Unit Residence

The Cooperative reserves the right to require multiple unit residences to be separately metered. The member or owner of an apartment house or a single-family house which is converted or constructed for separate and individual living quarters or dwelling units for more than one family shall, upon request of the Cooperative, install at the owner's expense separate wiring so that each dwelling unit can be metered and billed separately.

When service is extended to a multi-unit residence, the Cooperative shall charge a CIAC based on an estimate of expected net revenue from the number of units that PPEC expects to be occupied at the end of five (5) years from the date of construction. Net revenue is the annual expected revenue from a customer less the purchase power costs associated with serving that customer.

If the cost of extending service to the development is less than three (3) times the estimated annual net revenue, no CIAC is required from the developer. If the cost of extending service to the development is greater than three (3) times the estimated annual net revenue, the developer shall be required to make a CIAC toward the total installed cost of the service extension. The developer's CIAC shall be determined by subtracting an amount equal to three (3) times the estimated annual net revenue determined above from the cost of the service extension.

All line extension contracts and agreements between Paulding Putnam Electric Cooperative and any developer, existing as of the effective date of this policy, shall remain in effect unless cancelled by either party in accordance with the terms of the existing agreement.

F. Temporary Electric Service

A temporary electric service shall be defined as service rendered for a short period of time for seasonal operations or special events such as fairs, festivals, etc. If service is disconnected to avoid a monthly minimum, a reconnect fee will be charged in accordance with the tariff. The member or organization requesting such service shall pay a non-refundable contribution, in advance, in Aid to Construction at 100% of the actual work order cost of all electric distribution facilities necessary to provide electric service and 100% of the cost to remove said electric facilities after service is no longer needed. The total cost will include all material, labor and overheads. Temporary service supplied for a period less than one full month will be billed based on a full month's billing, including the minimum monthly charge if applicable.

G. Individual Three Phase Service

Where an extension or expansion of Cooperative's facilities is necessary to provide three-phase electric service, the Cooperative reserves the right to require a CIAC where, as determined by the Cooperative, equals the total installed cost of extending electric service to the customer.

The Cooperative reserves the right not to furnish three phase service to members when the Cooperative determines that single-phase service will adequately supply the member's load requirements. The Cooperative also reserves the right to determine whether the service conductor will be overhead or underground.

The member shall be responsible for the installation of any concrete transformer pads, grounding grid, switchgear pads, secondary cabinets, transformer pad grounding, C.T./P.T. cabinet, meter bases, transformer protection posts, secondary service cables, service cable connection lugs and conduit raceways as required by the Cooperative in accordance with Cooperative specifications. The Cooperative will provide the necessary C.T./P.T. metering devices as well as the meter for the member's facility.

The member shall be responsible for providing adequate access to the transformer including a road base to the transformer sufficient for the Cooperative's utility vehicles.

H. Outdoor Lighting

The Cooperative will install an outdoor light on an existing Cooperative pole at no cost to the member for the installation. If additional poles, conductor, or hardware are required to install an outdoor light at a member specified location, additional fees will be applied toward the install. There will be an additional monthly rate per light as approved by the Board of Trustees.

The Cooperative will maintain and repair Cooperative outdoor lights under normal conditions. After one (1) vandal related repair, the member will be charged for repair costs or the light may be removed.

The Cooperative will bill one member for an outdoor light even when it illuminates multiple properties.

In the event an outdoor light has been removed or disconnected per the member's request, any outdoor light installed or reconnected at the same location within a one (1) year period will be subject to additional fees.

SECTION III - USE AND RESPONSIBILITY OF ELECTRIC SERVICE

ATTACHMENTS & UNAUTHORIZED COMMUNICATIONS DEVICES PROHIBITED

No wire, cable, guy, structure, equipment, hardware or any appurtenance of whatever character owned by any individual, firm, or corporation shall be attached, connected, supported or otherwise make use of any poles, equipment, facilities or any appurtenance owned by the Cooperative unless approved by the Cooperative or covered by a special written rental contract between Cooperative and the individual, firm, or corporation involved.

Devices connected to member's facilities which transmit signals beyond Cooperative's service drop connection to member's service entrance are prohibited. The Cooperative shall not be liable for damage or interference caused by member-owned communication devices.

Any unauthorized use of Cooperative's equipment or facilities by others shall be subject to the removal of all unauthorized attachments or appurtenances by Cooperative without any prior notice being given to the violator or trespasser.

A. Use of Electric

The electricity supplied by the Cooperative is for the exclusive use of the member on the premises to which such energy is delivered by the Cooperative. The Cooperative reserves the right to determine the rate schedule that most closely relates to energy requirements. A member may not change from one schedule to another during the term of the contract except with the consent of the Cooperative.

The service connections, transformers, meters and appliances supplied by the Cooperative for each member, have a definite capacity and no additions to the equipment or load connected thereto, will be allowed except by consent of the Cooperative. Service shall not be shared with another, sold to another or transmitted off the premises unless approved by the Cooperative. If this restriction is violated, the Cooperative reserves the right to discontinue electric service without notice.

The member's electrical equipment shall be operated and controlled so as not to cause electrical disturbances on the Cooperative's system or to be detrimental to the service furnished other members of the Cooperative.

The Cooperative reserves the right to require the member to install, at the member's expense, such power factor corrective and/or load limiting equipment as is necessary to limit load and voltage fluctuations so that it is not necessary for the Cooperative to supply excess capacity and facilities. The member agrees to promptly notify the Cooperative prior to any significant increase or decrease in the member's connected load.

Where the member installs such power factor corrective equipment, the Cooperative reserves the right to require the member to install such controls as are necessary, in the Cooperative's opinion, to prevent voltage or other disturbances on the Cooperative's system that would be detrimental to service furnished to other members. If upon request of the Cooperative such voltage control equipment is not installed by the member, the service shall be subject to disconnection.

Where the member installs equipment/appliances with sensitive electronic components such as computer microprocessors and other devices containing programmable controllers, it is understood that the Cooperative cannot always guarantee to provide the special voltage and power needs required by sensitive electronic equipment. It shall be the responsibility of the member to install, own, operate and maintain appropriate "power conditioning equipment" to protect such devices from damage due to power line noise, voltage fluctuations, power interruptions, spikes, transient surges, harmonic distortions or other types of power disturbances which may be construed as being less than suitable to such sensitive electronic components.

B. Cooperative's Responsibility

The Cooperative will use reasonable diligence in furnishing a regular and uninterrupted supply of energy but does not guarantee uninterrupted service. The Cooperative shall not be liable for damages in case such supply should be interrupted or fail due to an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, breakdowns or injury to the machinery, transmission lines, distribution lines or other facilities of the Cooperative, extraordinary repairs, or any act of the Cooperative, including the interruption of service to any member, taken to prevent or limit the extent or duration of interruption instability or disturbance on the electric system of the Cooperative or any electric system interconnected, directly or indirectly, with the Cooperative's system. When such act is necessary or indicated, is the sole judgment of the Cooperative.

The point at which service is delivered by the Cooperative to the member, known as “delivery point”, shall be the point at which the member’s facilities are connected to the Cooperative’s facilities.

The Cooperative’s responsibility and liability terminates at the point where the Cooperative’s service drop conductors first contact member’s building structure, mast pipe or other such service terminating structures or facilities. All such terminating facilities shall be approved by the Cooperative but shall be owned, operated and maintained by the member. If the meter base needs to be inspected or worked on, the member needs to contact the office to set up a date and time, so the service can be disconnected. The Cooperative reserves the right, but shall not have the duty, to determine the suitability of apparatus or electrical facilities to be connected to its line, to determine whether the operation of such shall be detrimental to its general supply of electricity, and further reserves the right to refuse to supply, or to discontinue the supply of electricity until such time as the member shall conform to the Cooperative’s regulations. The Cooperative also reserves the right to disconnect and remove its facilities without notice when in its judgment it deems that the member’s terminating structure or facility is inadequate.

The Cooperative shall not in any event be liable for loss, injury or damage to any person or property whatsoever, resulting directly or indirectly from the member’s use, misuse, equipment or presence of the said electricity on the member’s premises or elsewhere, after it passes the Cooperative’s metering equipment or other point of delivery; or for any loss or damage resulting from the presence, character or condition of the wires or electrical facilities of the member. The Cooperative retains all responsibility only with respect to the actions of its employees in connection with property owned by the Cooperative.

For safety reasons, nothing other than Cooperative owned equipment whether temporary or permanent may be attached, leaned against or generally blocking access to Cooperative owned electric facilities at any time. Any member-owned property including, but not limited to, signs, basketball equipment, security lights, etc. found to be attached, leaned against or generally blocking access to Cooperative owned facilities, will be immediately removed by Cooperative personnel. This provision does not apply to meter poles owned by the Cooperative with member-owned service wires and meter bases attached.

The Cooperative shall only be liable to the member for damage directly caused by the gross negligence of the Cooperative or its employees or agents, but any such liability shall not exceed the cost of repairing or replacing equipment, appliances, and perishable food stored in a member’s residence damaged as a direct result.

The Cooperative will provide and maintain the necessary line or service connections, transformers (as required), meters and other apparatus which may be required for the proper measurement of and protection to its service.

The Cooperative shall not provide protective devices to prevent any loss, injury, or damage that might result from single-phasing conditions or any other fluctuation or irregularity in the supply of energy. The Cooperative shall not be liable for any loss, injury, or damage resulting from a single-phasing condition or any other fluctuation or irregularity in the supply of energy which could have been prevented using such protective devices.

C. Member’s Responsibility

The member shall use reasonable care in designing his electric wiring and circuits. The member's electric loads shall be connected to member's circuits so that the loads on the individual phases, legs and circuits of the Cooperative's service conductors are properly balanced. The electrical facilities must conform to the National Electric Code. In no event shall the Cooperative be under any obligation to inspect the electrical facilities of the members, but where the Cooperative has a reason to believe that the electrical facilities of the member do not comply with recognized requirements, the Cooperative may refuse to supply electricity to the member.

The member shall be responsible for notifying the Cooperative of any plan for adding electrical facilities that might overload or impair the electrical service or the facilities of the Cooperative. The Cooperative will upgrade its facilities at no charge to the member if, as determined by the Cooperative, the probable additional revenue is sufficient to justify the investment and operative expenses involved or a CIAC will be charged. The member shall also notify the Cooperative of unusual electrical facilities to be added and obtain the consent of the Cooperative for the use thereof.

The member shall be responsible at all times for the safekeeping of all Cooperative property installed on the member's premises and to that end shall give no one, except authorized Cooperative employees, access to such property.

The member shall be liable for the cost of repairs or damage to the Cooperative's property on the member's premises resulting from the negligence of, or misuse by other than Cooperative employees. In the event of damages to the Cooperative's property on the member's premises, the Cooperative may require a reasonable security deposit to insure payment for repairs in the event of future damage.

Member's will be responsible for tampering with, interfering with, or breaking of seals of meters, or other equipment of the Cooperative installed on the member's premises. The member hereby agrees that no one except the employees of the Cooperative shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Cooperative. The Cooperative shall have the right during regular working hours and in emergencies to enter the premises of the member for the purpose of installing, reading, removing, testing, replacing or otherwise disposing of the apparatus and the termination of the contract for any cause. The member will keep the area where the Cooperative's apparatus and property are located free from obstruction, danger and/or safety hazards. The Cooperative's agent will, upon request, show credentials and state the reason(s) for requiring access.

Members are required to provide, at no charge, a right-of-way for all necessary line construction for the member's service or for service to adjacent member's service. Any person seeking membership who refuses to grant a reasonable right-of-way for line construction shall not receive service from the Cooperative.

The member must notify the Cooperative of any claim based on such gross negligence within thirty (30) days after the interruption, irregularity, delay or failure begins. The Cooperative shall not be liable for consequential damages of any kind. This limitation shall not relieve the Cooperative from liability which might otherwise be imposed by law with respect to any claims for personal injuries to the consumer.

D. Metering

Each account served by the Cooperative shall have an electric meter, furnished by and will remain the property of, the Cooperative. Such meters shall be readily and safely accessible by Cooperative employees at all times. Meters and Cooperative equipment that is not safely accessible must be relocated at the member's expense.

In certain circumstances the Cooperative may permit an electric service to be unmetered. The Cooperative shall render a monthly bill equal to the estimated amount of energy consumed by the member, including applicable service charges, taxes, etc.

The Cooperative will maintain an accuracy of its meters of plus or minus two (2) percent in accordance with the Ohio Revised Code. The Cooperative reads the meters of members monthly using a remote automated meter reading system. The Cooperative reserves the right to estimate the monthly meter reading.

If a meter fails to register correctly, the meter will be replaced with a calibrated meter. Each meter shall be tested and calibrated to plus or minus two (2) percent accuracy before being placed in service at a given location. The arithmetic average of light load and full load tests will be used to determine overall accuracy of the meter.

When the accuracy of a meter is questioned, upon request from the member, the Cooperative will test the meter. If the member requests a meter test within three (3) years of a previous test, a meter test fee will apply. If the meter being tested is found to be more than two (2) percent fast or slow, the meter test fee shall be returned to the member.

If the meter is found to be in error greater than two (2) percent, an adjustment will be made on the member's electric bill for the prior three (3) months unless evidence can determine any amount of time involving incorrect billing as agreed upon by the member and the Cooperative.

In the event the metering equipment installed by the Cooperative fails to properly register the energy during any period, the consumption for such period will be estimated upon all known facts and billed accordingly, or at the option of the Cooperative, shall be estimated from the amount of energy used during a period in which the member operated under conditions similar to those existing during the period in which the metering equipment failed to properly register energy consumed.

The Cooperative may, from time to time, use an estimated meter reading to bill members. In no case shall the Cooperative use estimated meter readings in excess of two (2) consecutive months.

E. Idle Services

Any service that has been disconnected for a period longer than one year will be classified as abandoned and is considered an Idle Service.

At the discretion of the Cooperative, a letter will be mailed to the property owner that an idle service(s) is located on their property. The property owner is given the option to either activate the service or remove the idle service. If no response is received within 30 days, the idle service will be removed as time permits and no further notification will be sent to the property owner.

If an idle service is removed and service is requested in the future at that location, the request will be treated as a new service. All costs associated with a new service installation will be calculated in accordance with the line extension policy in effect at the time of the request.

SECTION IV – QUALITY AND CONTINUITY OF ELECTRIC SERVICE

A. CONSTRUCTION STANDARDS

All electrical facilities shall be constructed and maintained according to the RUS specifications. The design of such facilities shall be in accordance with approved engineering standards and shall in all cases conform to the rules set forth in the National Electric Safety Code.

The quality of electric service supplied by the Cooperative shall be in accordance with the accepted standards of the industry. The Cooperative shall maintain adequate facilities and trained personnel for maintaining quality electric service. The Cooperative's nominal standard voltage for standard lighting and other domestic uses shall be 120/240 volts, 60 cycles, single-phase alternating current. Other voltages may be furnished by special arrangements with the Cooperative and at the option of the Cooperative. The Cooperative will endeavor to maintain the voltage within five (5) percent of the standard voltage.

The Cooperative will use reasonable diligence in furnishing a regular and uninterrupted supply of electric power and energy, but it does not guarantee uninterrupted service. The Cooperative shall not be liable for damages in case such supply should be interrupted or fail by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, loss of power supply beyond its control, breakdowns or injury to the machinery, transmission lines, distribution lines or other facilities of the Cooperative, extraordinary repairs, or any other cause beyond its control.

The Cooperative shall be prompt and diligent in reenergizing its facilities and restoring its service as soon as it believes that in the exercise of reasonable care for the protections of the public and the employees of the Cooperative such action can be taken with reasonable safety.

When Cooperative personnel are dispatched to restore an outage and the problem is determined to be on the member's side of the service, the Cooperative may charge the member a service fee. If after investigations, it is determined that the Cooperative's electrical facilities are not at fault, a service charge may be assessed.

In the event of an adverse condition or disturbance on the system of the Cooperative, or any other system directly or indirectly interconnected with it which requires automatic or manual interruption of the supply of electricity to some members in order to limit the extent or duration of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, the Cooperative may, without incurring liability, take such action as appears reasonably necessary.

The member shall not place permanent structures, landscaping, sidewalks, decks, trees or any other items which may interfere with the construction or maintenance of this equipment on or within five (5) feet of the Cooperative's electrical equipment, including but not limited to poles, buried conductors, transformers, meters and meter bases. If such items are found during power restoration, the Cooperative will take the necessary steps needed to restore power. The member will be responsible for any damage done to these items and for correcting the violation in a manner acceptable to the Cooperative to prevent future delays.

B. TREE & RIGHT-OF-WAY CLEARANCE

The Cooperative will endeavor to keep its electric lines clear of trees and other growth by removing all trees under or near the lines and trimming those that cannot be removed on a three (3) year cycle.

The long feeder lines and the rural nature of the Cooperative's service area, along with the concern for maintaining high quality service make it imperative that tree clearance be performed effectively and economically, members' understanding and cooperation in this very important area is required and strongly solicited.

When planting or when managing their properties, members are advised to restrict growth in rights-of-way so as not to interfere with the performance or the required operation and maintenance of the electric lines.

SECTION V – SPECIAL MEMBER SERVICE REQUESTS

A. CONVERSION FROM OVERHEAD TO UNDERGROUND SERVICE

Any request to convert overhead facilities to underground for the convenience of the member shall be at 100% of the actual cost.

If in the opinion of management that it is in the best interest of the Cooperative and the member, management may direct electric facilities to be converted at the expense of the Cooperative.

B. RELOCATION OF ELECTRIC FACILITIES

The Cooperative reserves the right to deny any request, temporary or permanent, to relocate electric distribution facilities owned by the Cooperative for any reason. If the Cooperative agrees to relocate its electric facilities and a suitable relocation exists, the Cooperative's share of relocating electric facilities shall not exceed \$15,000 annually.

The member is to pay for 25% of the cost in advance of the most economical way (overhead-underground). Any additional cost that is incurred will be paid by the member. In underground situations, the member is responsible for drainage tile.

The Cooperative will analyze requests for the relocation of electric facilities based upon the following guidelines: age, physical condition, maintainability of the facilities as related to location and any other benefits that relocation may provide to the Cooperative will be considered. A list of members requesting relocation of electric facilities is to be kept by the Engineering Manager on a first come, first serve basis.

In instances where a request for relocation is based upon or has the purpose of, individual financial gain, personal convenience, support of hobby, aesthetics, etc., the Cooperative will develop a relocation plan satisfactory to the requesting individual and will estimate the costs of implementing such plan with a charge for moving any pole in accordance with the tariff as approved by the Board of Trustees. If in the opinion of management that it is in the best interest of the Cooperative and the member for the safety of the general public, and after member has paid in full the entire amount, management may proceed with the relocation.

C. SERVICE UPGRADE

Service upgrades may be charged a Contribution In Aid of Construction (CIAC) at the discretion of the Cooperative using the line extensions guidelines contained herein for new construction based on single-family, commercial or other types of service.

If in the opinion of management that it is in the best interest of the Cooperative and the member, management may direct electric facilities to be upgraded at the expense of the Cooperative.

D. EXCESS FACILITIES

If the member requests facilities in excess of those normally furnished and the Cooperative agrees to furnish excess facilities, the member shall pay a CIAC equal to the increased cost to the Cooperative.

E. EMERGENCY GENERATION

The Cooperative permits the use of emergency generating equipment for operation only in the event the Cooperative's electric power supply is interrupted. Periodic testing is permitted. Where the member has emergency generating equipment installed, the member shall install and maintain all necessary double throw switching and protective devices so that it will be impossible for the member to operate his generating equipment in parallel with the Cooperative's electric system.

All generating equipment, wiring and switching installations shall be in conformance with the National Electric Code.

The commercial and industrial member will use lockout/tagout procedures in accordance to OSHA standards. The Cooperative reserves the right to discontinue its service without notice if the member's installation does not at all times comply with these provisions and requirements. All member equipment shall be installed beyond the metering point.

Residential, Agricultural and Commercial members that are equipped with an emergency generator are requested to notify the Cooperative in writing or by telephone. This information will be noted on the member's account to ensure during electric restoration efforts Cooperative employees are aware of this power source.

F. DISTRIBUTED GENERATION

The Cooperative will comply with requirements of Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 and all governmental regulations lawfully promulgated thereunder (PURPA). The Cooperative will interconnect with and operate in parallel with any qualifying facility which meets all Cooperative's rules and regulations. Any member wishing to interconnect a generating system of 100 KW or less to the Cooperative system will be covered by the net metering rate. The member must sign a net metering agreement and pay a filing fee to submit their generating facilities plans for review. (details and application forms are found at the end of this document and on the coop website; www.ppec.coop).

G. COMMERCIAL OR INDUSTRIAL DISTRIBUTED GENERATION

Distributed Generation, greater than 100 KW must be approved by the Board of Trustees prior to interconnection. All Commercial and Industrial members installing Distributed Generation, greater than 100 KW, must be billed under the large power three-phase rates, designated as OH/IN or LPI/LPO (or other such rate as may be approved specifically for distributed generation and approved by the Board of Trustees).

SECTION VI – BILLING AND PAYMENT FOR SERVICE

A. BILLING & PAYMENTS

All bills are due and payable in accordance with the cycle billing each month. If an account is not so paid, the late charge as set forth in rate schedules is payable.

Bills are payable in person, by mail, or using electronic means of payment, on or before the date and/or time limit specified on the bill. Failure to receive a bill or the existence of a member deposit or capital credits will not entitle the member to any discount or to the remission of any charge for nonpayment with the date of time limit specified.

The words “month” or “regular billing period” as used herein are hereby defined to be the elapsed time between two successive meter readings, approximately 30 days apart. Failure to receive the bill does not relieve the member of the responsibility for timely payment.

Payments for electric service may be made in any of the following ways;

- a.) At the Cooperative’s office in person during regular business hours.
- b.) By mail at 401 McDonald Pike, Paulding, OH 45879
- c.) By night depository as provided at the above address. Payments received in the Cooperative’s night depository are considered as a payment made on the following business day.
- d.) Payments can be made electronically at www.ppec.coop. Be aware that payment settling times may vary.
- e.) By enrolling in our direct bill pay program using automated debits to checking, saving or credit accounts.
- f.) By calling the pay-by-phone telephone number as stated on the electric bill (888)220-6482.

Cash, personal checks, money orders, credit cards (Discover, Visa & MasterCard only) bank draft and electronic checks are acceptable forms of payment. The Cooperative is not responsible for discrepancies in cash payments made by mail or in the night depository. Two party or post-dated checks will not be accepted. Members who have had transactions (checks, credit cards, debit cards, etc.) returned for insufficient funds shall be required to make future payments by cash or money order. The Cooperative shall charge the member a fee for all items returned for insufficient funds.

In the event of meter stoppage or the failure of any meter to register the full amount of current consumed, the Cooperative reserves the right to bill for the estimated consumption based upon the member’s use of electricity in a similar period of like use. Under no circumstances shall the

Cooperative bill for undercharges more than 365 days of usage, subject to the Ohio Revised Code Section 4933.28.

B. BUDGET BILLING

Residential members shall have the option of paying bills monthly. The Cooperative utilizes fixed and variable budget billing.

Fixed budget billing is determined using the past twelve-month average. The Cooperative reserves the right to re-adjust billing at any time and limit the beginning of budget billing to a certain month(s). Fixed budgets will have a settlement month of August to bring the account balance to zero.

Variable budget monthly billing kWh is determined by adding the 11 prior months actual kWh usage, plus the current month's actual kWh usage, divided by 12, to obtain an average kWh usage. This figure is used to calculate the current month's budget billing.

The budget amount stated on the bill is to be paid regularly each month and if the entire monthly payment is not made, the Cooperative may, at its option, remove the account from the budget billing plan, and the account brought up-to-date and due.

A prerequisite for an account to be calculated on the budget billing plan is that the account must have a 12-month billing history on file and a zero-balance due.

C. OPERATION ROUND UP®

Members shall be automatically enrolled in the Operation Round Up® program unless the member requests to not participate.

D. UNAUTHORIZED DIVERSION/CONNECTION OF ELECTRIC SERVICE – METER FRAUD

In the event that the Cooperative finds that its metering equipment and/or its wiring or connections have been tampered with to prevent proper registration to the quantity of electricity used on the premises, the Cooperative reserves the right to discontinue its service at once and without notice to the member on any premises.

SECTION VII – COLLECTION AND DISCONNECT PROCEDURES FOR NONPAYMENT

A. TERMINATION OF SERVICE FOR NONPAYMENT

Accounts which are delinquent more than 30 days are subject to having electric service disconnected. The Cooperative, prior to disconnecting said delinquent service, shall issue a balance forward on the monthly bill indicating the delinquent amount, followed by a disconnect letter. Failure of the member to receive the bill/notice does not relieve the member of the responsibility for timely payment.

If the delinquent amount as stated on the disconnect letter, is not fully paid prior to the disconnect date indicated on the delinquent notice, the electric service may be terminated or limited without any further notice to the member.

If payment has not been received in the Cooperative office prior to the date of disconnection, the Cooperative will perform a remote disconnect, if possible, or may dispatch an employee to the service address to disconnect service. A collection fee will be charged according to the current Schedule of Fees and Charges.

The Cooperative will only disconnect or limit electric service for nonpayment during normal business hours.

B. RESIDENTIAL PAYMENT ARRANGEMENTS

Extended Payment Plans: Upon request by a member whose account is delinquent or who desires to avoid disconnection of service, the Cooperative will make extended payment arrangements appropriate for both the Cooperative and the member. This arrangement may include the use of load limiting devices. The Cooperative has full discretion in the application of such plan.

Members failing to meet the commitments on any payment arrangement are in default of their payment arrangement and shall be subject to immediate termination of electric service.

C. NON-RESIDENTIAL PAYMENT ARRANGEMENTS

Any payment arrangements for non-residential delinquent accounts shall be unique to that member.

D. RECONNECT OF ELECTRIC SERVICE DISCONNECTED FOR NONPAYMENT

Accounts, which have been disconnected or limited for nonpayment, shall be reconnected following payment in full of the delinquent amount, a security deposit and any applicable fees and may at the discretion of the Cooperative include the current billing. A reconnect fee shall be assessed for any service disconnected or limited for nonpayment according to the Schedule of Fees and Charges.

E. MEDICAL CERTIFICATION

Any member subject to termination of their electric service for nonpayment with a medical condition dependent upon electric service that without electric service would be “Especially Dangerous or Life Threatening” to the health of the member, family member residing in the home or individual under the care of the member, is required to have a licensed physician or local Board of Health physician complete a Medical Certificate. Provided the Medical Certificate is completed by a licensed physician or local Board of Health physician and returned to the Cooperative office within seven (7) days of the member’s request for special consideration, electric service shall not be terminated for nonpayment within 30 days of the filing of the Medical Certification; after 30 days the past due balances must be paid or service will be disconnected in accordance with *Termination of Service for Nonpayment*. The member shall also be responsible for notifying the Cooperative of any changes to the status of the Medical Certification.

SECTION VIII – TERMINATION OF ELECTRIC SERVICE FOR REASONS OTHER THAN NONPAYMENT

Service may be disconnected at the Cooperative’s discretion under the following conditions:

1. At the request of the member;
2. In event that it is a prudent matter of safety to disconnect electric service to perform construction or maintenance or special monitoring service;
3. To a member who is using electricity in a manner which is detrimental to the electric service of other members;
4. To a member in conflict or incompatible with the law of the State of Ohio or the Federal Government and/or any of its agencies;
5. To a service location that has been vacated;
6. When supplying electricity creates a dangerous condition on the member’s premises or where because of conditions beyond the member’s premises, termination of the supply of electricity is reasonably necessary;
7. In the event the member uses fraudulent practice in obtaining electricity or is the beneficiary of such fraudulent practice.
8. By order of public authority

Conditions that could result in electrocution or fire shall be deemed to be dangerous including, but not limited to, faulty wiring, unauthorized construction under or near the Cooperative’s electric lines or other violations of the NESC. If any employee or agent of the Cooperative sees a condition that appears to be dangerous the member shall be advised that they have 24 hours to correct the problem. Failure to do so may result in disconnection of power.

Services disconnected for dangerous conditions will not be reconnected until authorized in writing after inspection by a duly authorized representative of the Cooperative.

SECTION IX – MEMBER FINANCIAL SECURITY

A. RESIDENTIAL SECURITY DEPOSITS

The Cooperative will collect a security deposit for all new members renting a home or apartment. New members shall permit the Cooperative to perform a background credit check.

New members building or owning a home shall permit the Cooperative to perform a background credit check. Members may be required to pay a security deposit according to the following schedule:

- | | |
|--|------------------------|
| 1. Tier 1 (Above average credit – green) | \$0 to \$100 (renters) |
| 2. Tier 2 (Average credit – yellow) | \$150 to \$300 |
| 3. Tier 3 (Below average credit – red) | \$400 |

When an electric service is disconnected for nonpayment the member shall be required to pay all arrearages; trip charges; and reconnect fees, when applicable. In addition, the member shall be required to pay a security deposit if one has not been previously collected or pay an additional deposit if the one on hand is determined to be insufficient to cover 150% of the average monthly electric bill or the standard \$400 deposit, whichever is greater.

The Cooperative will pay interest at a rate of two (2) percent per annum on security deposits held for twelve (12) consecutive months or longer.

No security deposit will be required in the event the member/applicant for service owns real estate within the Cooperative's service territory and is financially responsible, and the member/applicant for service:

1. Has been a customer of a utility providing a similar type of service within the previous twelve (12) months, and
2. Has not been disconnected for nonpayment during the last twenty-four (24) months of service, and
3. Has established good credit by making on-time payments of monthly bills for the most recent twenty-four (24) consecutive months, and
4. His/her financial responsibility is not "otherwise impaired".

In the event of bankruptcy, the Cooperative will require assurance of payment in the amount of 150% of the average monthly energy bill for the most recent twelve (12) month period. This security deposit shall be paid within twenty (20) days of the date of the Bankruptcy filing or the account will be subject to disconnection.

The Cooperative will refund the security deposit, plus accrued interest, if any, when any of the following apply:

1. If the service must be connected and a security deposit collected before proof of good credit is presented, and a good credit history is later received by the Cooperative.
2. The member established good credit by making on-time payments of monthly bills for twelve (12) consecutive months, with no applied penalties to the account.
3. Upon termination or discontinuance of service, the Cooperative will apply the security deposit, plus accrued interest, if any, to the final bill and refund the difference, if any, to the member.

If the member fails these tests, the Cooperative will review the account monthly, and refund the security deposit, plus accrued interest, if any, when the member qualifies.

B. COMMERCIAL/INDUSTRIAL SECURITY DEPOSITS

The Cooperative reserves the right to require a security deposit from a member according to the Ohio Revised Code 4933.17. The Cooperative reserves the right at any time to re-evaluate the adequacy of a deposit and/or credit worthiness of the member and adjust the deposit accordingly.

Upon termination of electric service to any member for any reason, the security deposit is applied to any unpaid amount owed the Cooperative before refunding any remaining balance of the deposit to the member.

C. DEBTS OTHER THAN ELECTRIC SERVICE

All debts and sums due and owing the Cooperative from its members, other than member electric energy accounts, shall be paid to the Cooperative within thirty (30) days after the request for payment is made to such delinquent member. Shall a debt remain unpaid for a period of thirty (30) days from the date of the accident and as permitted by law, the Cooperative shall request the State of Ohio revoke an individual's driver's license until all such debts are paid or acceptable arrangements are made between the debtor and the Cooperative.

The mailing to such member by USPS, addressed to the member at the address shown on the books of the Cooperative, of a statement showing the nature of the indebtedness and the balance due shall constitute a request for payment according to this policy.

SECTION X – PARTICIPATION IN LOAD MANAGEMENT PROGRAMS

Members may elect to participate in the load management programs as offered by the Cooperative, thereby receiving the incentives offered in the programs, provided they adhere to program guidelines. Failure by the member to adhere to the program guidelines shall result in forfeiture of any future incentives and/or the member refunding all or part of program incentives issued to him/her.

The Cooperative may at its discretion offer new load management programs or withdraw existing load management programs.

SECTION XI – SERVICE CLASSIFICATION

A. RESIDENTIAL SERVICE

Individual residences consisting of a driveway, well and septic system, and living quarters, shall be served individually under a residential service schedule. The member may not take service for two or more separate residences through a single meter under any schedule, irrespective of common ownership of the several residences, except in the case of an apartment house with a number of individual apartments, the landlord shall have the choice of providing separate wiring for each apartment so that the Cooperative may supply each apartment separately under the residential schedule, or of purchasing the entire service through a single meter under the appropriate general or commercial service schedule.

The residential service schedule shall cease to apply to that portion of a residence which becomes primarily used for business, professional, institutional or gainful purposes. Under these circumstances, members shall have the choice (1) of separating the wiring so that the residential portion of the premises is served through a separate meter under the residential service schedule and the other uses as enumerated above are served through a separate meter or meters under the general or commercial service schedules; or (2) of taking the entire service under the appropriate general or commercial service schedules.

Detached building or buildings, appurtenant to the residence, such as a garage, stable or barn, may be served by an extension of the member's residence wiring through the residence meter provided no business activities are transacted in the detached building(s).

In the event a detached garage or other facility on a residential member's property is separately served and metered, such facility shall accordingly be metered and billed according to the appropriate general or commercial service rate.

B. GENERAL SERVICE

The Cooperative will provide service to other non-residential or non-commercial type facilities under one of the General Service rate schedules. A General Service rate shall apply to any facility not classified as either Residential or Commercial. By example, a detached garage, stable or small

storage shed when not served as an extension of the member's residential wiring, a single-phase grain holding facility or a well pump when billed to a non-commercial entity. Schools, churches, social organizations that are non-profit organizations shall be eligible for the General Service rate schedule when single-phase service is provided.

C. COMMERCIAL SERVICE

Any service not defined specifically as Residential or General Service, or any location or facility primarily used for business, professional, institutional or gainful purposes. All three-phase services shall be billed under the appropriate commercial or large power rate schedule. All commercial service accounts and members shall provide necessary proof of ownership and federal tax identification number.

D. RENEWABLES

Any cogeneration below 25 KVA shall be under net billing rate schedule and should not be designed with any other rate schedule.

SECTION XII – OPERATIONAL POLICY FOR QUALIFYING COGENERATION AND SMALL POWER PRODUCTION FACILITIES

The purpose of this section is:

- A. To provide compliance by the Cooperative with the requirement of Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), as amended, and all governmental regulations lawfully promulgated thereunder.
- B. To encourage the development of cogeneration and small power production facilities which will conserve oil, gas, coal and other nonrenewable resources in accordance with the requirements of PURPA.
- C. To offer a fair, reasonable and nondiscriminatory procedure through which the Cooperative may interconnect with qualifying cogeneration and small power production facilities in accordance with the requirements of PURPA.

Procedure:

The provisions of this policy will extend to all facilities as defined by the Federal Energy Regulatory Commission as qualifying cogeneration facilities or small power production facilities located within the service territory of the Cooperative.

- A. **Qualifying Cogeneration Facility** – Cogeneration is the combined production of electric energy and useful heat by the sequential use of energy from one fuel source. A qualifying cogeneration facility is one which meets the ownership test as well as the operating and efficiency standards and all other definitional requirement of PURPA.
- B. **Qualifying Small Power Production Facility** – A small power production facility is a facility generating not more than 80 megawatts of electric power through the employment of renewable resources such as water power, solar energy, wind energy, geothermal energy, biomass or waste, as a primary fuel and meeting all other definitional requirements of PURPA.

A qualifying facility means any qualifying cogeneration facility or qualifying small power production facility.

- A. The Cooperative will interconnect with and operate in parallel with any qualifying facility which meets all of the Cooperative's rules and regulations.
- B. The Cooperative will net meter the energy of each qualifying facility having a design capacity of 100 kilowatts or less in circumstances where the output of such facility is not reasonably anticipated to exceed the annual electric energy requirements of the consumer and provided that the total aggregate electric generating capacity of all qualifying facilities interconnected to the electric distribution systems of the members of Buckeye Power, Inc. (Buckeye) and net metered does not exceed 1% of Buckeye's aggregate peak electric demand of all of the Buckeye members, at rates and upon terms and conditions as set forth in the rules, regulations, policies and applicable rate schedules of the Cooperative.
- C. Buckeye will purchase the energy and associated capacity of each qualifying facility, at rates and upon terms and conditions as set forth in the rules, regulations, policies and applicable rate schedules of Buckeye, in the following circumstances:
 - 1. When the output of the qualifying facility is greater than 100 kilowatts but less than 1 megawatt; or
 - 2. When the output of the qualifying facility up to 100 KW is reasonably anticipated to exceed the annual electric energy requirements of the consumer; or
 - 3. When the total aggregate electric generating capacity of all qualifying facilities interconnected to the electric distribution systems of the Buckeye members and net metered exceeds 1% of Buckeye's aggregate peak electric demand of all of the Buckeye members; or
 - 4. When the output of the qualifying facility is equal to or greater than 1 megawatt and Buckeye, the Cooperative, and the consumer have agreed on the terms and conditions for service.
- D. Purchases of electric energy and the associated capacity from a qualifying facility having a design capacity of 1 megawatt or greater shall be at rates and upon terms and conditions to be determined on a case by case basis and provided by contract between Buckeye and the qualifying facility owner. The purchase of electric energy and the associated capacity from such a qualifying facility will be at a rate which reflects at least Buckeye's actual avoided costs, taking into account all relevant factors.
- E. The Cooperative will sell electric energy and the associated capacity to any net metered qualifying facility at rates and upon terms and conditions as specified in the Cooperative's applicable rules, regulations, policies and rate schedules.
- F. The Cooperative will sell back-up supplementary energy and the associated capacity to any qualifying facility whose output is purchased directly by Buckeye, at rates and upon terms and conditions as specified in the Cooperative's applicable rules, regulations, policies and rate schedules.
- G. The owner or operator of a qualifying facility who desires to interconnect the facility with the electric system of the Cooperative shall pay all costs associated with the interconnection.
- H. The owner or operator of a qualifying facility who desires to interconnect the facility shall have completed all registration documents as required by the FERC and shall have obtained written proof of the operator's status as a qualifying facility as required by the FERC and PURPA.
- I. The Cooperative shall develop and administer rules, regulations and one or more rate schedules in cooperation with Buckeye covering interconnections with and purchases from qualifying facilities which have a design capacity of less than 1 megawatt.
- J. The Cooperative shall cooperate with Buckeye in developing on a case by case basis, agreements covering interconnection with any qualifying facility having a design capacity of 1 megawatt or more.

SECTION XIII – RULES AND REGULATIONS FOR QUALIFYING COGENERATION AND SMALL POWER PRODUCTION FACILITIES

To provide for the safety of consumers, Cooperative personnel and the public in general, and to assure reliable electric service consistent with the Public Utility Regulatory Policies Act of 1978 (PURPA), and the Cooperative's Operational Policy relating to qualifying cogeneration and small power production facilities, the following rules and regulations are established for connection and operation of consumer-owned or operated qualifying facilities, as defined in the aforementioned Operational Policy, in parallel with the Cooperative's electric distribution system.

These rules and regulations apply to all qualifying facilities having a capacity of less than 1 megawatt. Qualifying facilities of 1 megawatt or more of capacity will be treated on an individual case by case basis. These rules and regulations apply to both existing and proposed installations, are subject to change from time to time as may be deemed necessary or desirable by the Cooperative or as may be required by governmental authorities.

- A. The owner or operator of a qualifying facility shall submit for Cooperative review and approval detailed electric circuit diagrams of the installation, equipment nameplate data for interface devices and control systems and a site plan. Such submittal shall be in sufficient detail to provide reasonable assurance that the qualifying facility can at all times be operated in a safe, reliable and lawful manner.
- B. Without limiting the generality of the foregoing, the owner or operator of a qualifying facility shall submit to the Cooperative a completed Agreement for Interconnection and Parallel Operation of a Net Metered Qualifying Cogenerations or Small Power Production Facility in the form attached hereto as Exhibit A. As part of its review process, the Cooperative may require an opinion as to the safety and reliability of the system from a licensed professional engineer.
- C. No qualifying facility shall be connected to the Cooperative's electric system without the Cooperative's advance approval of such facility as being in compliance with these rules and regulations. Qualifying facility shall be no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case by case basis.
- D. The completed installation must meet all applicable local, state and national codes, regulations or other laws, and is subject to inspection by any authorities having jurisdiction before commencement of a parallel operation. The installation must also comply with the Agreement for Electric Service for Qualifying Co-Generation or Small Power Production Facilities up to 25 kW [or] 100 kW attached hereto as Exhibit B. The Cooperative may inspect or require a test of the facility at any time without advance notice.
- E. The owner or operator shall pay for all costs associated with any addition or alteration to the Cooperative's system required for metering and for the safe and reliable operation of the qualifying facility in parallel with the Cooperative's electric system. Where alterations to the Cooperative's electric system are required due to the collective presence of two or more qualifying facilities operating in parallel with the Cooperative, the cost of such additions or alterations shall be shared by those owners or operators on an equitable basis to be determined by the Cooperative. If the cost is greater than \$5,000 the Member may elect to utilize the Aid to Construction Utility Agreement, attached.
- F. An approved disconnecting device operable by the Cooperative and suitable for disconnecting the qualifying facility from the Cooperative's lines is required. Any such device shall be operated in accordance with the procedures agreed to by the owner or operator and the Cooperative.

- G. After the initial installation and acceptance by the Cooperative of a qualifying facility, the owner or operator shall obtain approval from the Cooperative prior to making any revisions to the qualifying facility, interface equipment, control devices, or protective system.
- H. The control and protective system and site plan of the qualifying facility must be approved by the Cooperative. The control and protective system must operate in accordance with these safety and reliability standards:
 - 1. The system shall provide for the immediate automatic shutdown or separation of the qualifying facility's generator and storage devices from the Cooperative's lines in the event of any of the following conditions, whether emanating from the Cooperative's system or the qualifying facility:
 - a. Momentary or extended interruption of power on the Cooperative's lines serving the qualifying facility.
 - b. Deviation of frequency or voltage on the Cooperative's lines serving the qualifying facility from within the Cooperative's normal standards.
 - c. If the qualifying facility is operating in parallel with three phase service, existence of abnormal rotation of phases or existence on any phase or phases of a condition listed in (a) or (b) above.
 - 2. The shutdown or separation shall continue until the interruption, deviation or abnormal condition listed in (1) above has been eliminated and all applicable parameters listed in (1) are returned to within the Cooperative's normal standards.
- I. In the event the Cooperative determines in its sole judgment that the qualifying facility poses any safety hazard to any person or property, poses a hazard to the reliability of the Cooperative's electric system or any system with which it is connected, unreasonable interferes with the use and enjoyment of property by any person, or that the qualifying facility's protective equipment is operating improperly, the Cooperative, through its authorized personnel shall have the right to enter onto the property where the qualifying facility is located and immediately disconnect the qualifying facility from its lines.
- J. The owner or operator shall pay all costs of changes for safety purposes or repairs or losses due to adverse effects on the equipment or facilities or other consumers or the Cooperative itself caused by the connection or operation of a qualifying facility.
- K. Should parallel operation of a qualifying facility cause interference or adversely affect voltage, frequency, harmonic content, or power factor in the Cooperative's or other consumers' services, the Cooperative may require disconnection of the qualifying facility from the Cooperative's electrical system until the condition has been corrected.
- L. The Cooperative may require such liability insurance coverage by the qualifying facility owner or operator as the Cooperative determines in its sole judgment to be appropriate in the circumstances, and the owner or operator shall provide such proof of insurance coverage as may be required by the Cooperative. Review or testing of the qualifying facility by the Cooperative does not constitute any assumption of liability by the Cooperative for the safe, reliable and lawful operation of the qualifying facility.
- M. If the owner or operator fails to comply with the above rules and regulations or if the qualifying facility at any time constitutes a safety hazard or hazard to the reliability of the Cooperative's electric system or any system with which it is connected or is in violation of any code, regulation or law, the Cooperative may at any time require termination of parallel operation and the owner or operator shall be liable for any loss, damage or injury resulting from such failure, hazard or violation.
- N. Connections between a qualifying facility and the electric system of the Cooperative shall only be made pursuant to a written contract between the Cooperative and the owner or operator of such qualifying facility which shall be in accordance with applicable laws as well as the applicable rules, regulations, policies and rate schedules of the Cooperative.

- O. The member must sign and acknowledgement the terms of service requirements prior to the Cooperative interconnecting the net metering service. (see APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION)

SECTION XIV – NOMINAL VOLTAGE LEVELS

The cooperative has established the following nominal service voltages of which at least one of the following characteristics shall be made available to a consumer, the particular voltage and service characteristics to be at the option of the Cooperative:

Secondary Distribution System – alternating current, 60 cycles at nominal voltages of 120/240, or 240/480 volts, single phase; and 120/208, 120/240 and 277/480 volts, 3-phase.

Primary Distribution System – alternating current, 60 cycles at nominal voltages of 12,470 volts, 3-phase.

The Cooperative shall design and operate its system so that under normal operating conditions the voltage delivered at the consumer's service entrance, for the voltages listed above, is maintained within the range of plus or minus 5% of the nominal voltage. Wherever voltages shall be known to exist outside of such range, the cooperative will promptly initiate corrective action to restore the voltage level to within such range.

SCHEDULE OF FEES AND CHARGES

Application Fee	\$10
Return Check Fee	\$30
Trip Charge During Business Hours	
Collection in the Field	\$75
Disconnect and/or Reconnect	\$75
Trip Charge After Business Hours	
Disconnect and/or Reconnect	\$350 total
Outage Call-Out for Member Owned Equipment	\$75
Meter Limiter Installation Fee	\$75
Meter Test	\$75
Late Payment Fee	2% of bill or \$5(min)
Delinquent Letter Fee	\$10
Seasonal Reconnect Fee	\$75 prior to reconnect

After hours includes any additional time up to and including any time past 1:00pm when a truck is dispatched. The after-hours reconnection fee is at the discretion of the staff of PPEC and dependent upon the availability of Line Crews in the area.

The Board of Trustees reserves the right to change, modify or increase fees at any time with or without notice.

APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION

This application form must be completed and the application fee of \$375.00 (three hundred seventy-five dollars) paid prior to any construction work or engineering design work being performed by Paulding Putnam Electric Cooperative.

Qualifying facility shall be no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case-by-case basis.

Customer's Name: _____

Address: _____

Contact Person: _____

Telephone Number: _____

Service Point Address: _____

Information Prepared and Submitted by: _____

(Name and Address)

The following information shall be supplied by the Customer or Customer's designated representative. All applicable items must be accurately completed in order that the Customer's generating facilities may be effectively evaluated for interconnection with the Cooperative's Distribution System.

GENERATOR

Number of Units: _____

Manufacturer: _____

Type (Synchronous, Induction or Inverter): _____

Fuel Source Type (Solar, Natural Gas, Wind, etc.): _____

Kilowatt Rating (95 F at location): _____

Kilovolt-Ampere Rating (95 F at location): _____

Power Factor: _____

Voltage Rating: _____

Ampere Rating: _____

Number of Phases: _____

Frequency: _____

Any cogeneration interconnection to the Power company system shall be on the appropriate net billing rate schedule designed for cogeneration or distribution generation as determined by The Cooperative. Cogeneration shall not be combined with any other rate schedule.

Do you plan to export power: _____ Yes _____ No

If Yes, maximum amount expected: _____

If Yes, do you expect the amount of exported energy to exceed your requirements for electric energy at the service address on an annual basis? _____ Yes _____ No

Estimated annual requirements for electric energy at the service address: _____ Kilowatt-hours

Expected Energizing and Start-up Date _____

Normal Operation of Interconnection: (examples: provide power to meet base load, demand management, standby, back-up other) (please describe) _____

One-line Diagram attached: _____ Yes

Have testing results been supplied to the Cooperative documenting conformance with the Cooperative's technical requirements: _____ Yes [Note: Requires a Yes for an Application to be considered complete.]

Have all necessary government permits and approvals been obtained for the project prior to this application: _____ Yes [Note: Requires a Yes for an Application to be considered complete.]

Has the generator been certified as a qualifying cogeneration or small power production facility under the Public Utility Regulatory Policies Act of 1978 : _____ Yes [Note: Requires a Yes for an Application to be considered completed.]

Have the generator manufacturer machine characteristics been supplied to the Company: _____ Yes [Note: Requires a Yes for an Application to be considered complete.]

Layout sketch showing lockable, "visible" disconnect device : _____ Yes

_____ Date

_____ Customer Name

By: _____
(Signature)

Name: _____

Title: _____

Return Completed Application and payment to: Paulding Putnam Electric Cooperative, Inc.
Steve Kahle
Engineering Manager
skahle@ppec.coop
401 McDonald Pike
Paulding, OH 45879

EXHIBIT A

**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION
OF A NET METERED QUALIFYING COGENERATION**

OR SMALL POWER PRODUCTION FACILITY

OPERATED BY _____,
OPERATOR OF A _____ FACILITY
AT _____, NEAR _____, OHIO

This Agreement (“Agreement”) dated as of _____, by and between PAULDING PUTNAM ELECTRIC COOPERATIVE, INC., an Ohio nonprofit corporation (the “Power Company”), and _____ (the “Consumer”) together with the Power Company, individually, a “Party” and, collectively, the “Parties”;

WITNESSETH:

WHEREAS, the Consumer has or will install on the Premises certain Consumer-owned electric generating facilities of approximately ___kW in the aggregate, which electric generating facilities are more particularly described in Attachment E attached hereto; and

WHEREAS, the electric Generating Facility is a certified qualifying cogeneration or small power production facility under PURPA; and

WHEREAS, the Consumer desires to interconnect the Electric Generating Facility to the Power Company’s electric distribution system;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements herein contained, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – DEFINITIONS

Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Agreement for Electric Service. Whenever used in the Agreement, the following terms shall have the following meanings:

Agreement for Electric Service shall mean the Agreement for Electric Service of even date herewith between Power company and the Consumer,

Buckeye shall mean Buckeye Power, Inc. and its successors and assigns.

Electric Generating Facility shall mean the Consumer’s electric generating units identified in Attachment E hereof, the output of which is approximately _____kW in the aggregate, but which shall not exceed [25] [OR] [100] kW in the aggregate, and which facility is not reasonably anticipated to exceed the annual electric energy requirements of Consumer’s electric consuming facilities located on the Premises.

Emergency shall mean a condition or situation (a) that in the judgment of Power Company or Consumer is imminently likely to endanger life or property, (b) that in the sole judgment of Power Company is imminently likely to adversely affect or impair the Power

Company Distribution System or the electrical or transmission systems of others to which the Power Company Distribution System is directly or indirectly connected, including, without limitation, the transmission system of Transmission Owner, or (c) that in the sole judgment of the Consumer is imminently likely to adversely affect or impair the Electric Generating Facility.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant proportion of the electric utility 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 the lowest reasonable cost consistent with 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 a spectrum of acceptable practices, methods or acts.

Interconnection Facilities shall mean all facilities presently in place or presently proposed to be installed, as identified in Attachment A hereof, or facilities which are later installed, in order to interconnect the Electric Generating Facility to the Power Company Distribution System, including System Protection Facilities.

Interconnection Service shall mean the services provided by the Power Company to interconnect the Electric Generating Facility with the Power Company Distribution System pursuant to the terms of this Agreement.

Net Metering Equipment shall mean the single bi-directional meter or pair of meters currently installed at the Point of Interconnection or to be install at the Point of Interconnection as described in Attachment B hereof.

NERC shall mean the North American Electric Reliability Council, and any successor thereto.

Point of Interconnection shall mean the point or points, shown in Attachment A hereof, where the Consumer's Interconnection Facilities interconnect with the Power Company Distribution System.

Power Company Distribution System shall mean all electric distribution facilities owned or controlled by Power Company on Power Company's side of the Point of Interconnection, including, without limitation, Power Company's Interconnection Facilities.

ReliabilityFirst shall mean ReliabilityFirst Corporation, one of the regional reliability councils of NERC formed to promote reliability and adequacy of bulk power supply of the electric utility systems in North America, and any successor thereto.

System Protection Facilities shall mean the equipment required to protect (a) the Power Company Distribution System, the system of others directly or indirectly connected to the Power Company Distribution System, including without limitation, the transmission system of Transmission Owner, and Power Company's customers from faults or other electrical disturbances occurring at the Electric Generating Facility or otherwise on Consumer's side of the Point of Interconnection, and (b) the Electric Generating Facility from faults or other electrical disturbances occurring on the Power Company Distribution System or on the systems of others to which the Power Company Distribution System is directly or indirectly connected, including, without limitation, the transmission system of Transmission Owner.

Transmission Owner shall mean _____, owning transmission facilities to which the Power Company Distribution System is interconnected, and its successors and assigns.

Transmission Provider shall mean _____, providing transmission service through facilities owned by Transmission Owner, and its successors and assigns.

ARTICLE 2 – INTERCONNECTION SERVICE

Subject to the terms and conditions of the Agreement for Electric Service and this Agreement, Power Company shall provide Consumer with Interconnection Service for the Electric Generating Facility for the term of the Agreement for Electric Service.

ARTICLE 3 – OPERATION AND MAINTENANCE

- 3.1 Operation, Maintenance and Control of the Electric Generating Facility. The Consumer shall own, operate, maintain and control the Electric Generating Facility and Consumer's Interconnection Facilities (a) in a safe and reliable manner, (b) in accordance with Good Utility Practice, (c) in accordance with applicable operational and reliability criteria, protocols, and directives, including those of NERC, ReliabilityFirst, the Power Company, Transmission Owner and Transmission Provider (including, without limitation, those requirements of Power Company set forth in Attachment C hereof and those requirements, if any, of Transmission Owner or Transmission Provider set forth in Attachment D hereof), and (d) in accordance with the provisions of this Agreement. Consumer may operate the Electric Generating Facility in parallel and in synchronization with the electric power and energy provided by Power Company to Consumer pursuant to the Agreement for Electric Service, as an auxiliary or supplement to such electric power and energy and may use the output of the Electric Generating Facility to meet the requirements of Consumer's electric consuming facilities located on the Premises. Any output of the Electric Generating Facility in excess of the requirements of Consumer's electric consuming facilities located on the Premises shall be transferred to the Power Company and credited against the Consumer's bill for electric service in accordance with the net metering arrangements described in the Agreement, the Agreement for Electric Service, and the Net Metering Rate Schedule attached to the Agreement for Electric Service.
- 3.2 Protection and System Quality. Consumer shall, at its expense, provide, install, own, operate and maintain System Protection Facilities, including such protective and regulating devices as are required by NREC, ReliabilityFirst, the Power Company, Transmission Owner or Transmission Provider, or by order, rule or regulation of any duly-constituted regulatory authority having jurisdiction, or as are otherwise required by Good Utility Practice in order to protect persons and property and to minimize deleterious effects to the Power Company Distribution System and the transmission system of Transmission Owner. Any such protective or regulating devices that may be required on Power Company's or Transmission Owner's facilities in connection with the operation of the Electric Generating Facility shall be installed by Power Company or Transmission Owner, as the case may be, at Consumer's expense. Power company reserves the right to modify or

expand its requirements for protective devices in conformance with Good Utility Practice.

- 3.3 Inspection. Power Company shall have the right but shall have no obligation or responsibility to (a) observe Consumer's tests and inspections of any of Consumer's protective equipment, (b) review the settings of Consumer's protective equipment, and (c) review Consumer's maintenance records relative to the Electric Generating Facility and Consumer's protective equipment. The foregoing rights may be exercised by Power Company from time to time as deemed necessary by the Power Company upon reasonable notice to Consumer. However, the exercise or nonexercise by Power Company of any of the foregoing rights of observation, review or inspection shall be construed neither as an endorsement or confirmation of any aspect, feature, element, or condition of the Electric Generating Facility or Consumer's protective equipment or the operation thereof, nor as a warranty as to the fitness, safety, desirability, or reliability of same.
- 3.4 Disconnection. Upon termination of the Agreement for Electric Service by its terms, Consumer shall disconnect the Electric Generating Facility from the Power Company Distribution System. Power company shall have the right to disconnect, or to require the consumer to disconnect, the Electric Generating Facility immediately and without prior notice if, in the Power Company's sole opinion, an Emergency exists and immediate disconnect is necessary to protect persons or property from injury or damage. Power Company shall have the right to disconnect, or to require the Consumer to disconnect, the Electric Generating Facility with no less than seven (7) days prior notice if, in the Power Company's sole opinion, such disconnection is required in order for the Power Company to conduct maintenance, repairs or replacements of its facilities or the Power Company Distribution System. Consumer shall disconnect the Electric Generating Facility immediately if an Emergency exists and immediate disconnect is necessary to protect persons or property from injury or damage.

ARTICLE 4 – EMERGENCIES

The Consumer agrees to comply with NERC, ReliabilityFirst, Power Company, Transmission Owner and Transmission Provider Emergency procedures, as applicable, with respect to Emergencies (including, without limitation, those of requirements of the Power Company set forth in Attachment C hereof and those requirements, if any, of Transmission Owner or Transmission Provider set forth in Attachment D hereof). The Consumer shall provide the Power Company with oral notification that is prompt under the circumstances of an Emergency which may reasonably be expected to affect the Power Company Distribution System or the transmission system of Transmission Owner, to the extent the Consumer is aware of the emergency. To the extent the Consumer is aware of the facts of the Emergency, such notification shall describe the Emergency, the extent of the damage or deficiency, its anticipated duration, and the corrective action taken or to be taken, and shall be followed as soon as practicable with written notice. In the event of an Emergency, the party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action as is reasonable and necessary to prevent, avoid, or mitigate injury, danger, damage or loss.

ARTICLE 5 – MODIFICATIONS AND CONSTRUCTION

- 1.1 Modifications. Either party may undertake modifications to its facilities; provided that Consumer shall not increase the output of the Electric Generating Facility or make other material change or modification to the configuration or

operation of the Electric Generating Facility without the prior written consent of Power Company and Buckeye. In the event that the Consumer plans to undertake a modification that reasonably may be expected to impact the Power Company's facilities, the Consumer shall provide the Power Company and Buckeye with sufficient information regarding such modification so that the Power Company and Buckeye can evaluate the potential impact of such modification prior to commencement of the work.

1.2 Construction.

1.2.1 Land Rights. Consumer shall furnish at no cost to Power Company any necessary access, easements, licenses, and/or rights of way upon, over, under, and across lands owned or controlled by Consumer and/or its affiliated interests for the construction, operation and maintenance by Power Company of necessary lines, substations, and other equipment to accomplish interconnection of the Electric Generating Facility with the Power Company Distribution System under this Agreement and the provision of electric service to the Consumer under the Agreement for Electric Service, and shall, at all reasonable times, give the Power Company, and its agents, free access to such lines, substations, and equipment. An accessible, protected and satisfactory site selected upon mutual agreement by the Parties and located on the Consumer's premises shall be provided by and at the Consumer's expense for installation of necessary net metering equipment, unless Power Company elects to install the net metering equipment on a location controlled by it.

1.2.2 Electric Generating Facility and Equipment Design and Construction. Consumer shall, at its sole expense, design, construct, and install the Electric Generating Facility and all equipment needed to interconnect the Electric Generating Facility with the Power Company Distribution System, except for any Interconnection Facilities to be constructed by Power Company pursuant to Attachment A hereof. The Consumer's Interconnection Facilities and equipment shall satisfy all requirements of applicable safety and engineering codes, including the Power Company's, and further, shall satisfy all requirements of any duly-constituted regulatory authority having jurisdiction and the requirements of Transmission Owner and Transmission Provider (including, without limitation, those requirements, if any, of Transmission Owner or Transmission Provider set forth in Attachment D hereof). Consumer shall submit all specifications for Consumer's Interconnect Facilities and equipment, including System Protection Facilities, to the Power Company for review at least ninety (90) days prior to interconnecting such Interconnection Facilities and equipment with the Power Company Distribution System. Power Company's review of Consumer's specifications shall be construed neither as confirming nor as endorsing the design, nor as any warranty as to fitness, safety, durability or reliability of Consumer's interconnection facilities or equipment. Power Company shall not, by reasons of such review or failure to review, be responsible for strength, details of design, adequacy or capacity of Consumer's Interconnection Facilities or equipment, nor shall Power Company's acceptance be deemed to be an endorsement of any facility or equipment. Consumer agrees to make changes to its Interconnection Facilities and equipment as may be reasonably required to meet the requirements of the Power Company. In the event it becomes necessary for Power Company to alter, add to, relocate or rearrange the Interconnection Facilities or to rearrange or relocate existing Power Company-owned facilities which are not Interconnection Facilities to continue to conduct interconnected

operations in accordance with Good Utility Practice, then Consumer shall pay for such work.

ARTICLE 6 – METERING

Power Company shall purchase and install Net Metering Equipment to meter the Power Company's electric service to the Consumer and the electric output of the Electric Generating Facility. Power Company shall own, operate and maintain the Net Metering Equipment. All costs associated with the purchase, installation, ownership, operation and maintenance of the interconnection equipment, as more fully described in Attachment B hereof shall be borne by Consumer.

ARTICLE 7 – INFORMATION REPORTING

Consumer shall promptly provide the Power Company all relevant information, documents, or data regarding the Consumer's facilities and equipment that have been reasonably requested by the Power Company.

ARTICLE 8 – INDEMNITY AND LIABILITY

Consumer agrees to fully indemnify, release, and hold Power Company, its members, trustees, officers, managers, employees, agents, representatives, and servants, Power Company's affiliated and associated companies, and their respective members, trustees, shareholders, directors, partners, stakeholders, officers, managers, employees, agents, representatives, and servants, and Power Company's successors and assigns, harmless from and against any and all claims, demands, liabilities, losses damages, costs and expenses (including attorney's fees and other costs of defense) of any nature or kind whatsoever, including, but not limited to, claims, demands and/or liabilities for personal injury to (including death of) any person whomever (including payments and awards made to employees or other under any workers' compensation law or under any plan for employees' disability and death benefits) and for damage to any property whatsoever (including Consumer's Electric Generating Facility, the Power Company Distribution system, and the transmission system of Transmission Owner) arising out of or otherwise resulting from the use, ownership, maintenance, or operation of the Electric Generating Facility or the Interconnect Facilities, regardless of whether such claims, demands or liability are alleged to have been caused by negligence or to have arisen out of Power Company's status as the owner or operator of facilities involved; provided, however, that the foregoing shall not apply to the extent that any such personal injury or property damage is held to have been caused by the gross negligence or intentional wrongdoing of Power Company or its agents or employees. Neither party shall be liable in statute, contract, in tort (including negligence), strict liability, or otherwise to the other party, its agents, representatives, affiliated and associated companies, or assigns, for any incidental or consequential loss or damage whatsoever, including, but not limited to, loss of profits or revenue, resulting from any party's performance or non-performance of an obligation imposed on it by this Agreement.

ARTICLE 9 – INSURANCE

- 9.1 Consumer shall obtain and maintain the following policies of insurance during the term of the Agreement: Comprehensive or Commercial General Liability insurance with bodily injury and property damage combined single limits of at

least \$250,000 per occurrence if the Electric Generating Facility is 10 kW or less, \$1,000,000 per occurrence if the Electric Generating Facility is greater than 10 kW but less than 100 kW, and \$5,000,000 per occurrence if the Electric Generating Facility is 100 kW or greater. Such insurance shall include, but not necessarily be limited to specific coverage for contractual liability encompassing the indemnification provisions in Article 8, broad form property damage liability, personal injury liability, explosion and collapse hazard coverage, products/completed operations liability, and, where applicable, watercraft protection and indemnity liability.

- 9.2 The coverages requested in Section 9.1 above shall be “occurrence” form policies. In the event Consumer has “claims-made” form coverage, Consumer must obtain prior approval of all “claims-made” policies from Power Company.
- 9.3 Consumer shall cause its insurers to amend its Comprehensive or Commercial General Liability policies with the following endorsement items (a) through (e):
- (a) Power Company, and its directors, officers, and employees are additional Insureds under this Policy; and
 - (b) This insurance is primary with respect to the interest of Power Company, and its directors, officers, and employees and any other insurance maintained by them is excess and not contributory with this insurance; and
 - (c) The following cross liability clause is made a part of the policy: “In the event of claims being made by reasons of (i) personal and/or bodily injuries suffered by any employee or employees of one insured hereunder for which another insured hereunder is or may be liable, or (ii) damage to property belonging to any insured hereunder for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is made or may be made in the same manner as if separate policies have been issued to each insured hereunder, except with respect to the limits of insurance; and
 - (d) Insurer hereby waives all rights of subrogation against Power Company, and its officers, directors and employees; and
 - (e) Notwithstanding any provision of the policy, this policy may not be canceled, non-renewed or materially changed by the insurer without giving thirty (30) days prior written notice to Power Company. All other terms and conditions of the policy remain unchanged.
- 9.4 Consumer shall cause its insurers or agents to provide Power Company with certificates of insurance evidencing the policies and endorsements listed above prior to interconnecting the Electric Generating Facility with the Power Company Distribution System, as well as copies of each annual renewal certificate for such policies and endorsements, promptly after such renewal certificates are issued. Power Company shall have the right to review the policies and endorsements listed above at any time during the term of this Agreement, and Consumer shall promptly provide copies of the same to Power Company upon its request. Failure of Power Company to obtain certificates of insurance does not relieve Consumer of the insurance requirements set forth herein. Failure to obtain the insurance coverage required by this Article 9 shall in no way relieve or limit Consumer’s obligations and liabilities under other provisions of this Agreement.
- 9.5 If Consumer is a residential customer of the Power Company, the following provisions shall apply:
- (a) The insurance coverage requirements of Section 9.1 above may be satisfied by the residential Consumer obtaining and maintaining a

Homeowner's Liability insurance policy, or if Homeowner's Liability insurance is not available, Comprehensive or Commercial General Liability insurance, Excess or Umbrella Liability insurance, or any other type of insurance policy that the Power Company deems acceptable, covering the residential Consumer's liabilities under this Agreement, with bodily injury and property damage combined single limits as set forth in Section 9.1;

(b) The last sentence of Section 9.1, and the requirement set forth in Section 9.3, shall not apply to the residential Consumer; and

(c) The amounts of insurance required in Section 9.1 may be satisfied by the residential Consumer purchasing primary coverage in the amounts specified or by buying a separate excess Umbrella Liability policy together with lower limit primary underlying coverage. The structure of the coverage is the residential Consumer's option, so long as the total amount of insurance meets Power Company's requirements.

ARTICLE 10 – BUCKEYE, TRANSMISSION OWNER AND TRANSMISSION PROVIDER CONSENT

The consent of Buckeye, the Transmission Owner and/or Transmission Provider, if the Power Company determines that such consent is required, shall be required prior to any interconnection of the Consumer's Electric Generating Facility with the Power Company Distribution System.

ARTICLE 11 – TERM

This Agreement shall commence as of _____ and shall terminate upon the termination of the Agreement for Electric Service.

ARTICLE 12 – MISCELLANEOUS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and assigns; provided, however, this Agreement shall not be assigned by the Consumer without the prior written consent of the Power Company, any such assignment by the Consumer being null and void without such consent. This Agreement shall not be effective unless approved in writing by all governmental agencies from which approval is required. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, except for any conflicts of laws provisions. This Agreement may not be modified except in a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

By: _____
(signature)

Name: _____

(print)

Title: _____

By: _____
(signature)

Name: _____
(print)

Title: _____

**ATTACHMENT A
INTERCONNECTION FACILITIES**

This Attachment A is a part of the Agreement for Interconnection and Parallel Operation between Consumer and Power Company.

Point of Interconnection

The point of interconnection will be at the point where _____. See Drawing No. _____, dated _____, which drawing is attached hereto and made a part hereof.

Interconnection Facilities to be Furnished by Power Company

Power Company shall construct the following interconnection facilities:

See the Power Company Feasibility Study, a copy of which is attached hereto and made a part hereof.

Interconnection Facilities to be Furnished by Consumer

Consumer shall construct the following interconnection facilities:

Cost Responsibility

Consumer shall be solely responsible for all costs associated with Consumer’s construction of Interconnection Facilities.

Consumer and Power Company hereby acknowledge and agree that the cost listed below is only an estimate and that Consumer hereby agrees to and shall reimburse Power Company for all actual costs, including any applicable taxes, associated with the Power Company’s construction of Interconnection Facilities as set forth in this Attachment A. The cost of the Power Company’s Interconnection Facilities is estimated to be \$ _____. The Consumer will pay to the Power Company a deposit of \$ _____ coincident with the execution of the Agreement.

Qualifying Facilities Sizing Capacity

Qualifying facility shall be no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case-by-case basis.

**ATTACHMENT B
NET METERING EQUIPMENT**

This Attachment B is a part of the Agreement for Interconnection and Parallel Operation between Consumer and Power Company.

The net metering facilities will be located at _____.

Power Company, at Consumer’s expense, will purchase, install, own, operate, and maintain the following net metering instrumentation as required for onsite metering and telemetering:

Net metering will be accomplished using a single meter or pair of meters capable of registering the flow of electricity in each direction from the Power Company Distribution System to Consumer’s electric consuming facilities located on the Premises, and from

Consumer's Electric Generating Facility to the Power Company Distribution System. If the existing electric meter or meters in service at the Consumer's Premises is/are not capable of measuring the flow of electricity in each direction, the Power Company will purchase, install, own, operate, and maintain an approved meter or meters that is/are capable of measuring electricity in each direction. The Consumer will pay the Power Company all expenses involved in either modifying the existing meter(s) or providing a new meter(s) capable of measuring the flow of electricity in each direction. Maintenance of the meter(s) will be the responsibility of the Power Company, which will own the meter(s).

Any cogeneration interconnection to the Power Company system shall be on the appropriate net billing rate schedule designed for cogeneration or distribution generation as determined by The Cooperative. Cogeneration shall not be combined with any other rate schedule.

Consumer and Power Company hereby acknowledge and agree that the cost listed below is only an estimate and that Consumer hereby agrees to and shall reimburse Power Company for all actual costs, including any applicable taxes, associated with the Power Company's installation of Net Metering Equipment as set forth in this Attachment B. The cost for the Net Metering Equipment is estimated to be \$ _____.

ATTACHMENT C POWER COMPANY REQUIREMENTS

The distributed resource should be compliant with UL 1741 and IEEE 1547. The size of the service should be sufficient to carry 100 percent of the generating capacity. The distributed resource should not adversely affect the quality of service to neighboring consumers.

ATTACHMENT D
TRANSMISSION OWNER AND/OR TRANSMISSION PROVIDER REQUIREMENTS

The Consumer shall pay for all facilities and upgrades identified by the Transmission Owner and/or Transmission Provider in the _____, a copy of which is attached hereto and made a part hereof. The Consumer shall enter into any facilities/construction agreements required by the Transmission Owner/Transmission Provider in connection with the construction of the necessary transmission facilities/upgrades identified in the attached report.

ATTACHMENT E
ELECTRIC GENERATING FACILITY DESCRIPTION

_____ . A more detailed description of the Electric Generating Facility is attached.

EXHIBIT B

**AGREEMENT FOR ELECTRIC SERVICE FOR
QUALIFYING CO-GENERATION OR SMALL POWER
PRODUCTION FACILITIES UP TO 25 KW [OR] 100 KW**

This Agreement, made as of the ____ day of _____, 20 ____, between Paulding Putnam Electric Cooperative, Inc. (hereinafter called “the Power Company”) and _____
_____ (hereinafter called the “Consumer”), whose mailing
address is _____, Account # _____, for
electric service at _____ situated generally at the intersection of
_____ and _____ in _____,
_____ County, _____ (hereinafter called the “Premises”);

WITNESSETH:

WHEREAS, the Power Company is a not-for-profit corporation organized under the laws of the State of Ohio engaged in the business of selling electric power and energy with its principal place of business in Paulding County, Ohio; and

WHEREAS, the Consumer is [a _____ organized under the laws of the State of _____ doing business in the State of Ohio, which] or [an individual who] owns and operates all land and facilities located on the Premises; and

WHEREAS, the Consumer has or will install on the Premises certain consumer-owned electric generating facilities up to 25 kW in the aggregate for residential and up to 100 kW for commercial, which electric generating facilities (the “Electric Generating Facility”) are more particularly described in Attachment E to the Agreement for Interconnection and Parallel Operation of a Net Metered Qualifying Cogeneration or Small Power Production Facility of even date herewith by and between the Power Company and the Consumer (the “Agreement for Interconnection and Parallel Operation”); and

WHEREAS, the Electric Generating Facility is a certified qualifying cogeneration or small power production facility under the Public Utility Regulatory Policies Act of 1978, as amended, and all governmental regulations lawfully promulgated thereunder (“PURPA”); and

WHEREAS, the output of the Electric Generating Facility is not reasonably anticipated to exceed the annual electric energy requirements of Consumer’s electric consuming facilities located on the Premises; and

WHEREAS, the Consumer desires to interconnect the Electric Generating Facility to the Power Company’s electric distribution system and to use the output of the Electric Generating Facility to first meet the requirements of the Consumer’s electric consuming facilities located on the Premises and then transfer to the Power Company any such output in excess of the requirements of the Consumer’s electric consuming facilities and receive a credit against the Consumer’s bill for electric service under the Net Metering arrangements described in this Agreement, the Agreement for Interconnection and Parallel Operations, and the Power Company’s Net Metering Rate Schedule, which is attached hereto; and

WHEREAS, the Power Company desires to sell, and the Consumer desires to purchase, electric power and energy to meet the requirements of Consumer’s electric consuming facilities not served by the Electric Generating Facility under the terms and conditions hereinafter set forth; and

WHEREAS, a single meter or pair of meters has been or will be installed at the Premises, which meter or meters is/can register the flow of electricity in each direction from Power Company’s electric distribution system to Consumer’s electric consuming facilities on the Premises, and from Consumer’s Electric Generating Facility to Power Company’s electric distribution system, at the point of interconnection (“Net Metering”);

WHEREAS, any cogeneration interconnection to the Power Company system shall be on the appropriate net billing rate schedule designed for cogeneration or distribution generation, as determined by The Cooperative. Cogeneration shall not be combined with any other rate schedule.

WHEREAS, the qualifying facility shall be no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case-by-case basis.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Subject to the terms and conditions of this Agreement, the Power Company shall sell and deliver to the Consumer, and the Consumer shall purchase and receive, all of the electric power and energy which the consumer may need at the Premises up to _____ kW, except for any such electric demand and energy which is served by Consumer's Electric Generating Facility.
2. Service hereunder shall be alternating current, _____ phase, 60 cycles, _____ volts.
3. The Consumer shall pay the Power Company for service hereunder at the rate and upon the terms and conditions set forth in the Power Company's Net Metering Rate Schedule, which is attached hereto and made a part of the Agreement as if fully restated herein. The Power Company's Net Metering Rate Schedule will be superseded by any new or amended Net Metering Rate Schedule or any successor rate schedule as approved from time to time by the Board of Trustees of the Power Company. Payment for the service provided hereunder shall be made at the office of the Power Company located in Paulding County, Ohio, or at such other place as the Power Company shall hereafter designate in writing.
4. The Consumer shall build a qualifying facility no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case by case basis.
5. If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Power company may discontinue service to the Consumer upon giving no less than fifteen (15) days written notice to the Consumer of its intention to do so, provided however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.
6. The Consumer is or shall become a member of the Power Company and be bound by such rules and regulations as may from time to time be adopted by the Power Company.
7. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of electric power and energy and shall not sell or transfer to others the electric power and energy purchased hereunder, without permission of the Power Company; provided, however, that Consumer may operate the Electric Generating Facility upon the terms and conditions and for the purposes set forth in this Agreement, the Agreement for Interconnection and Parallel Operation (Exhibit A), and the Power Company's Net Metering Rate Schedule which is attached hereto and made a part of this Agreement as is

fully restated herein. The Consumer represents and warrants to the Power Company that the Electric Generating Facility is a certified qualifying cogeneration or small power production facility under PURPA. The Consumer represents and warrants to the Power company that the output of the Electric Generating Facility is not reasonably anticipated to exceed the annual electric energy requirements of the Consumer's electric consuming facilities located on the Premises.

8. The Consumer shall use the output of the Electric Generating Facility first to meet the requirements of Consumer's electric consuming facilities located on the Premises. Any output of the Electric Generating Facility in excess of the requirements of Consumer's electric consuming facilities shall be transferred to the Power Company and credited against the Consumer's bill for electric service hereunder in accordance with the Net Metering arrangements set forth in this Agreement, the Agreement for Interconnection and Parallel Operation, and the Net Metering Rate Schedule attached hereto. Consumer shall only be entitled to receive a billing credit for any such output of the Electric Generating Facility in excess of the requirements of the Consumer's facilities, and in no event shall the consumer be entitled to receive any payment from the Power Company for any such excess output of the Electric Generating Facility. The Power Company shall be entitled to all environmental attributes of the Electric Generating Facility during the term of this Agreement. The Power Company shall have the sole and exclusive right to designate the Electric Generating Facility as a renewable resource during the term of this Agreement to satisfy any federal, state or local renewable energy requirement, renewable energy procurement requirement, renewable energy portfolio standard, or other renewable energy mandate.
9. Whenever the Power Company's facilities located at the Premises are relocated solely to suit the convenience of the Consumer, the Consumer shall reimburse the Power Company for the entire cost incurred in making such change.
10. The Power Company will use reasonable diligence in furnishing a regular and uninterrupted supply of electric power and energy but does not guarantee uninterrupted service.
 - a. The Power Company shall not be liable for damages or other losses in case such supply is interrupted, curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to the Consumer is delayed by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, governmental action, loss of power supply, breakdowns or injury to the machinery, transmission or distribution lines or other facilities of the Power Company, repairs, maintenance or any cause beyond the Power Company's control; provided, however,

that in no event shall the Power Company be liable for personal injury, wrongful death, property damage or other losses not caused by or due to the gross negligence or willful and wanton misconduct of the Power Company; provided, further, however, that in no event shall the Power Company be liable for consequential damages of any nature whatsoever in case such supply of power and energy should be interrupted, curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to the Consumer is delayed; and provided further that the failure of the Consumer to receive electric power and energy because of any of the aforesaid conditions shall not relieve the Consumer of its obligation to make payments to the Power company as provided herein.

- b. The point at which service is delivered by the Power Company to the Consumer, and at which the output of Consumer's Electric Generating Facility is transferred to the Power Company, to be known as the "point of interconnection", shall be the point at which the Consumer's electric consuming facilities located on the premises are connected to the Power Company's electric distribution system, and the point at which Consumer's Electric Generating Facility is connected to the Power Company's electric distribution system. The Power Company shall not be liable for any loss, injury or damage resulting from the Consumer's use of its facilities or equipment or occasioned by the power and energy furnished by the Power Company beyond the point of interconnection.
- c. The Consumer shall provide and maintain suitable protective devices on its equipment to prevent any loss, injury or damage that might result from any fluctuation or irregularity in the supply of electric power and energy. The Power Company shall not be liable for any loss, injury or damage resulting from any fluctuation or irregularity in the supply of power and energy which could have been prevented using such protective devices.
- d. The Power Company will provide and maintain the necessary lines or service connections, metering and other apparatus which may be required for the proper measurement of and rendition of its service, and of the proper measurement of the output of Consumer's Electric Generating Facility. All such apparatus shall be owned and maintained by the Power Company. A single meter or pair of meters will be installed which shall be capable of registering the flow of electricity in each direction from the Power Company's electric distribution system to Consumer's electric consuming facilities located on the Premises, and from the Consumer's Electric

Generating Facility to Power Company's electric distribution system, at the point of interconnection.

11. In the event of loss or injury to the property of the Power Company through misuse by, or the negligence of, the Consumer or the employees of the same, the cost of the necessary repairs or replacement thereof shall be paid to the Power Company by the Consumer.
12. The Consumer will be responsible for any person tampering with, interfering with, or breaking the seals or meters or other equipment of the Power Company installed at the Premises. The consumer hereby agrees that no one except the employees of or persons duly authorized by the Power Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Power Company. The Consumer shall provide the Power company reasonable access at all times to the Power Company's meters and other facilities of the Power Company located on the Premises.
13. Metering equipment used in determining the demand and amount of electric power and energy supplied hereunder, and the demand and amount of electric power and energy produced by Consumer's Electric Generating Facility, shall be tested and calibrated, if required, by the Power Company. If any metering equipment shall be found inaccurate, it shall be restored to the extent possible to a 100.0% accurate condition; or new metering equipment to the extent necessary shall be substituted so that, as far as possible, 100.0% accuracy shall always be maintained. The Consumer shall have the right to request that a special meter test be made at any time. In the event a test made at the Consumer's request discloses that the meter tested is registering correctly, or within one percent (2%) above or below 100.0% accuracy at full load, Consumer shall bear the expense of such meter test.

The results of all such tests and calibrations shall be open to examination by the Consumer and a report of every requested test shall be furnished to the consumer; any meter tested and found to be not more than one percent (2%) above or below 100.0% accuracy at full load, shall be considered accurate in so far as correction of billing is concerned. If as a result of any test, any meter is found to register in excess of one percent (2%) above or below 100.0% accuracy at full load, then the readings of such meter previously taken for billing purposes shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond the last regular monthly billing period occurring prior to the day on which inaccuracy is discovered by such test, and no correction shall be made for a longer period than that during which it may be determined by mutual agreement of the parties involved that the inaccuracy existed. The Power Company will bear the cost of the meter test

if any meter is found to register in excess of one percent (2%) above or below 100.0% accuracy at full load.

For any period that metering equipment is found to have failed wholly, or in part, to register and for which no alternate metering is available, it shall be assumed that the demand established, or electric energy delivered, as the case may be, during said period is the same as that for a period of like operation during which such meter was in service and operating.

The Power Company shall notify the Consumer in advance of the time of any meter test so that a representative of the Consumer may be present.

14. Duly authorized representatives of the Power Company shall be permitted to enter the Premises at all reasonable times to carry out the provisions hereof.
15. This Agreement shall become effective as of the date first above written and shall remain in effect until terminated by either party giving to the other party not less than ninety (90) days prior notice in writing of its intention to terminate.
 - a. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and assigns; provided, however, this Agreement shall not be assigned by the Consumer without the prior written consent of the Power Company, any such assignment by the Consumer being null and void without such consent.
 - b. This Agreement shall not be effective unless approved in writing by all governmental agencies from which approval is required.
16. This Agreement shall be governed and construed in accordance with the laws of the State of Ohio, except for any conflicts of law's provisions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

WITNESS:

By: _____
(signature)

Name: _____
(print)

Title: _____
(if other than land owner)

WITNESS:

By: _____
(signature)

Name: _____
(print)

Title: _____
(if other than landowner)

**ATTACHMENT A
INTERCONNECTION FACILITIES**

This Attachment A is a part of the Agreement for Interconnection and Parallel Operation between Consumer and Power Company.

Point of Interconnection

The point of interconnection will be at the point where _____. See Drawing No. _____, dated _____, which drawing is attached hereto and made a part hereof.

Interconnection Facilities to be Furnished by Power Company

Power Company shall construct the following interconnection facilities:

See the Power Company Feasibility Study, a copy of which is attached hereto and made a part hereof.

Interconnection Facilities to be Furnished by Consumer

Consumer shall construct the following interconnection facilities:

Cost Responsibility

Consumer shall be solely responsible for all costs associated with Consumer's construction of Interconnection Facilities.

Consumer and Power Company hereby acknowledge and agree that the cost listed below is only an estimate and that Consumer hereby agrees to and shall reimburse Power Company for all actual costs, including any applicable taxes, associated with the Power Company's construction of Interconnection Facilities as set forth in this Attachment A. The cost of the Power Company's Interconnection Facilities is estimated to be \$ _____. The Consumer will pay to the Power Company a deposit of \$ _____ coincident with the execution of the Agreement.

Qualifying Facilities Sizing Capacity

Qualifying facility shall be no larger than 80% of the previous three (3) year 12-month average energy use for all predictable loads. Non-predictable loads will be determined on a case-by-case basis.

**ATTACHMENT B
NET METERING EQUIPMENT**

This Attachment B is a part of the Agreement for Interconnection and Parallel Operation between Consumer and Power Company.

The net metering facilities will be located at _____.

Power Company, at Consumer's expense, will purchase, install, own, operate, and maintain the following net metering instrumentation as required for onsite metering and telemetering:

Net metering will be accomplished using a single meter or pair of meters capable of registering the flow of electricity in each direction from the Power Company Distribution System to Consumer's electric consuming facilities located on the Premises, and from Consumer's Electric Generating Facility to the Power Company Distribution System. If the existing electric meter or meters in service at the Consumer's Premises is/are not capable of measuring the flow of electricity in each direction, the Power Company will purchase, install, own, operate, and maintain an approved meter or meters that is/are capable of measuring electricity in each direction. The Consumer will pay the Power Company all expenses involved in either modifying the existing meter(s) or providing a new meter(s) capable of measuring the flow of electricity in each direction. Maintenance of the meter(s) will be the responsibility of the Power Company, which will own the meter(s).

Any cogeneration interconnection to the Power Company system shall be on the appropriate net billing rate schedule designed for cogeneration or distribution generation as determined by The Cooperative. Cogeneration shall not be combined with any other rate schedule.

Consumer and Power Company hereby acknowledge and agree that the cost listed below is only an estimate and that Consumer hereby agrees to and shall reimburse Power Company for all actual costs, including any applicable taxes, associated with the Power Company's installation of Net Metering Equipment as set forth in this Attachment B. The cost for the Net Metering Equipment is estimated to be \$ _____.

**ATTACHMENT C
POWER COMPANY REQUIREMENTS**

The distributed resource should be compliant with UL 1741 and IEEE 1547. The size of the service should be sufficient to carry 100 percent of the generating capacity. The distributed resource should not adversely affect the quality of service to neighboring consumers.

**ATTACHMENT D
TRANSMISSION OWNER AND/OR TRANSMISSION PROVIDER REQUIREMENTS**

The Consumer shall pay for all facilities and upgrades identified by the Transmission Owner and/or Transmission Provider in the _____, a copy of which is attached hereto and made a part hereof. The Consumer shall enter into any facilities/construction agreements required by the Transmission Owner/Transmission Provider in connection with the construction of the necessary transmission facilities/upgrades identified in the attached report.

**ATTACHMENT E
ELECTRIC GENERATING FACILITY DESCRIPTION**

_____ . A more detailed description of the Electric Generating Facility is attached.

EXHIBIT C

AID TO CONSTRUCTION UTILITY AGREEMENT

WHEREAS, Paulding Putnam Electric Cooperative, Inc., hereinafter referred to as “Power Company” is in the business of selling and providing electric power to its customers; and

WHEREAS, the Power Company desires to financially assist commercial enterprises within its service area with start-up minimum costs of constructing electric service facilities for three phase predictable electric needs where said costs exceed \$5,000.00 as an incentive to use Power

Company's three phase electric service; until said policy is revised or terminated and does not jeopardize Power Company's stability; and

WHEREAS, _____ (full legal name of consumer) of _____
_____ (mailing address of consumer), hereinafter referred to as
"Consumer" has made application for an Aid to Construction Grant from Power Company; and

WHEREAS, Power Company has approved said application for the Consumer's new project, that will need and use Power Company's electric service or is a qualified cogeneration facility, known and referred to as _____ (location) at _____
(address)

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is mutually agreed by and between Power Company and Consumer as follows:

1. Consumer shall submit to Power Company, a copy of all approved plans and specifications in connection with the project referred to above.
2. Consumer shall submit to Power Company, a copy of any and all Governmental Certificate(s) and/or permit(s) required as a condition precedent to the construction of said project.
3. Consumer shall pay to Power Company a deposit equal to 25% of its minimum Construction costs pursuant to Power Company's existing policy plus one month's estimated electric service usage billing,
4. Consumer agrees to repay said loan in equal monthly payments for consecutive months, beginning with the first day of the first month subsequent to the cooperative completing construction of the facilities to service the Consumer, whether or not the Consumer has begun to take electric service from the Power Company. The Consumer agrees to allow the monthly installment charge to be incorporated into its monthly electric billing and for electric service to be terminated should the Consumer fail to pay for any portion of the electric billing including the installment loan.
5. Power Company shall charge an interest rate equal to the cooperatives annual cost of Long-Term Debt plus **.05 or 5%**, whichever is higher on said Aid to Construction Loan during said five (5) year period so long as Consumer remains a full-time customer of Power Company; and pays its electric service usage billings to Power Company in a timely fashion. The President/CEO may alter the terms of this agreement if conditions warrant for the purpose of economic development within the service territory of the cooperative.
6. In the event Consumer defaults on its obligations and promises to purchase electric power and/or its monthly installment payments on its Aid to Construction Loan, all amounts outstanding, plus interest shall become due and payable and all electric service shall be discontinued.
7. In the event Consumer elects to terminate its utility customer relationship with Power Company, before said Aid to Construction Grant has been paid in full a **TERMINATION CHARGE**, equal to the unpaid balance of said loan plus interest, compounded annually plus 10% of the outstanding loan balance, shall be paid to Power Company. In addition, Consumer shall give Power Company a written notice of its intention to terminate this Agreement.
8. Consumer agrees to pay all of Power Company's reasonable attorney fees and expenses it incurs in the enforcement of this Agreement.
9. This Agreement shall be construed and enforced pursuant to the law of the state of Ohio.

10. This Agreement shall not be assigned, sold, or transferred by Consumer without first obtaining the prior written consent of Power Company, which consent shall not be unreasonably withheld.
11. The undersigned representative(s) of Consumer hereby certifies that (he)(she)(they) is/are authorized by a duly passed and recorded Corporate Resolution providing for the execution of this Agreement on behalf of Consumer by its undersigned representative(s).
12. The total Aid to Construction is \$_____ and the loan interest rate is _____%. The Power Company agrees to loan the Consumer the total amount of \$_____ to be repaid to the Power Company in equal monthly installments of \$_____ for the said _____ month period. A twenty-five percent (25%) deposit equal to \$_____ shall be due upon signing of this agreement.

Dated this _____ day of _____ 20____ at _____

Paulding Putnam Electric Cooperative, Inc.

By _____
Power Company representative

By _____
Consumer

By _____
Consumer