

(insert date)

**FLATHEAD ELECTRIC COOPERATIVE AGREEMENT  
FOR INTERCONNECTION OF DISTRIBUTED GENERATION**

**SHORT FORM CONTRACT**

This Interconnection Agreement (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Flathead Electric Cooperative, Inc. (“Cooperative”), a Montana corporation, and \_\_\_\_\_ (“DG Owner/Operator”), each hereinafter sometimes referred to individually as “Party” or both referred to collectively as the “Parties”. In consideration of the mutual covenants set forth herein, the Parties agree as follows:

This agreement provides for the safe and orderly operation of the electrical facilities interconnecting the electrical distribution facility owned by the Cooperative and the DG Owner/Operator’s facility located at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

This Agreement does not supersede any requirements of any by-laws, applicable tariffs, rates, rules and regulations in place between the DG Owner/Operator and the Cooperative.

1. **Intent of Parties:** It is the intent of the DG Owner/Operator to interconnect an electric power generator to the Cooperative’s electrical distribution system.

It is the intent of the Cooperative to operate the distribution system to maintain a high level of service to their customers and to maintain a high level of power quality.

It is the intent of both parties to operate the facilities in a way that ensures the safety of the public and their employees.

2. **Operating authority:** The DG Owner/Operator is responsible for establishing operating procedures and standards within their organization. The operating authority for the DG Owner/Operator shall ensure that the Operator in Charge of the generator is competent in the operation of the electrical generation system and is aware of the provisions of any operating agreements and regulations relating to the safe operation of electrical power systems. The operating authority for the DG Owner/Operator is

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

3. **Operator in Charge:** The operator in charge is the person identified by name or job title responsible for the real time operation of all electrical facilities related to the interconnection and owned by their organization. The operator in charge for the DG Owner/Operator is

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_.

4. **Suspension of Interconnection:** It is intended that the interconnection should not compromise the Cooperative's protection or operational requirements. The operation of the DG Owner/Operator's System and the quality of electric energy supplied by the DG Owner/Operator shall meet the standards as specified by the Cooperative. If the operation of the DG Owner/Operator's system or quality of electric energy supplied (in the case of power export) does not meet the standards as specified, then the Cooperative's will notify the DG Owner/Operator to take reasonable and appropriate corrective action. the Cooperative's shall have the right to disconnect the DG Owner/Operator's System, until compliance is reasonably demonstrated. Notwithstanding, the Cooperative's may in its sole discretion disconnect the DG Owner/Operator's generating plant from the Distribution Facility without notice if the operating of the Generating Plant imposes a threat, in the cooperative's sole judgement, to life and property.

5. **Maintenance Outages:** Maintenance outages will occasionally be required on the Cooperative's system, and the Cooperative will provide as much notice and planning as practical to minimize downtime.

6. **Access:** Access is required at all times by the Cooperative's to the DG Owner/Operator's site for maintenance, operating and meter reading. the Cooperative's reserves the right, but not the obligation, to inspect the DG Owner/Operator's facilities.

7. **Liability and Indemnification:** DG Owner/Operator shall assume all liability for and shall indemnify the Cooperative's for any claims, losses, costs, and expenses of any kind or character to the extent that they result from DG Owner/Operator's negligence or other wrongful conduct in connection with the design, construction or operation of DG Owner/Operator's facility.

8. **Term:** This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. This Agreement may be terminated as follows: (a) DG Owner/Operator may terminate this Agreement at any time by giving the Cooperative at least sixty (60) days' written notice; (b) Cooperative may terminate upon failure by the DG Owner/Operator to generate energy from the Facilities within six (6) months after completion of the interconnection; (c) either Party may terminate by giving

the other Party at least thirty (30) days prior written notice that the other Party is in default of any of the terms and conditions of the Agreement or the Rules or any rate schedule, tariff, regulation, contract, or policy of the Cooperative, so long as the notice specifies the basis for termination and there is opportunity to cure the default; (d) Cooperative may terminate by giving DG Owner/Operator at least sixty (60) days notice in the event that there is a material change in an applicable law, or any requirement of the Cooperative's wholesale electric suppliers or of any transmission utility, independent system operator or regional transmission organization having responsibility for the operation of any part of the System.

AGREED TO BY

DG Owner/Operator

Cooperative

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_