

INTERCONNECTION AND PURCHASE AGREEMENT FOR DISTRIBUTED RENEWABLE ENERGY (DRE) PROGRAM PARTICIPANTS

This Interconnection Agreement ("Agreement") is made and entered into this ____ day of _____, 20__ (the "Effective Date"), by Presque Isle Electric & Gas Co-op, ("Cooperative"), a Michigan nonprofit corporation; _____ ("Member") Membership # _____ and Account # _____; and Wolverine Power Supply Cooperative, Inc., ("Wolverine"), a Michigan nonprofit corporation, each hereinafter sometimes referred to individually as "Party" or referred to collectively as the "Parties." In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. Scope of Agreement. This Agreement provides for the safe and orderly operation of the electrical facilities interconnecting the Member's facility located at or near _____ (the "Premises"), to the electrical distribution facilities and system owned by the Cooperative. This Agreement also provides for the sale of excess generation to Wolverine, through its agent, Cooperative. Except to the extent Wolverine agrees herein to purchase excess generation through Cooperative, this Agreement does not authorize Member to export power or constitute an agreement to purchase or wheel Member's power. Other services that Member may require from the Cooperative shall be covered under separate agreements between the Member and Cooperative. This Agreement does not supersede any requirements of any bylaws, applicable tariffs, rates, rules and regulations in place between the Member and the Cooperative and as applicable to the Member.

2. Intent of Parties. It is the intent of the Member to interconnect a solar or wind renewable energy generator to the Cooperative's electrical distribution system to offset their electrical purchases with their own solar or wind renewable energy generation. It is the intent of the Cooperative to operate the distribution system to maintain a high level of service and power quality to its members. It is Wolverine's intent to buy the Member's excess generation, through Cooperative. It is the intent of the Parties to operate the facilities in a way that ensures the safety of the members, the Cooperative's employees, and the public.

As provided within, this Agreement applies to new (on and after June 1, 2017) net metering Members, under the "Distributed Renewable Energy Program," as well as to those Members with an existing (pre-June 1, 2017) interconnection agreement between Member and Cooperative. The Member's existing interconnection agreement is attached as Exhibit B.

3. Member Facility. The Member's Facility shall mean the solar or wind generating facility described in Exhibit A and as approved by the Cooperative (the "Member Facility"). The Member Facility shall be located on the Premises and will interconnect and operate in parallel with the Cooperative's electric power supply and distribution system. The operation of the Member Facility is intended primarily to offset part or all of Member's own electrical requirements presently supplied by the Cooperative. Member shall be responsible for the operation of the Member Facility, shall be competent in the operation of the electrical generation system, and shall obtain and maintain all required permits and approvals. Member Facility generator size shall not exceed the requirements specified under "Member Eligibility" in the Net

Metering or Distributed Renewable Energy Programs. Any modifications to the Member Facility can only be made following the written approval of the Cooperative. Any change in generating technology or any increase in generator size of the Member Facility is not permitted, unless specifically agreed to by the Cooperative in writing.

4. Term. The acceptance of this Agreement by the Cooperative and Wolverine shall constitute an agreement between Member, the Cooperative, and Wolverine which shall continue in force for a term expiring on either of the following dates, as applicable:

(1) for Net Metering Program Members – 20 years from the effective date of their existing interconnection agreement or the first month the Member began net metering; or

(2) for Distributed Renewable Energy Program Member-Consumers – 10 years from the Effective Date.

The Agreement shall automatically terminate upon any of the following: 1) any transfer of membership in the Members' Premises to a new Member, 2) removal of the Member Facility, 3) increased generator size of the Member Facility, 4) at the end of the term, or 5) upon changes in generator technologies of the Member Facility at which time the Member must enter into a new agreement based on the Cooperative's available tariffs at that time.

5. Price and Payment Methodology.

- a. The Member shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member, which may change from time to time, for all energy delivered to the Member by the Cooperative.
- b. For Net Metering Program Members – The Member shall be credited the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member for all energy and associated renewable energy attributes, including, but not limited to, Renewable Energy Credits delivered to the Cooperative by the Member, collectively referred to as excess generation.
- c. For Distributed Renewable Energy Program Member-Consumers – The Member shall be credited \$.056 per kWh for all energy and associated renewable energy attributes, including, but not limited to, Renewable Energy Credits delivered to the Cooperative by the Member, collectively referred to as excess generation.
- d. The credit for any excess generation, as determined by each month's meter reading, shall be credited against a following month's bill representing the Member-Consumer's Energy Charge. Any credit carried forward to the following month that is not utilized that month, shall be carried forward for use in subsequent billing periods. If the Member terminates service with the Cooperative while having a net metering credit amount on their account, Wolverine shall pay, through its agent, the Cooperative, the remaining credit amount to the Member following a final reading by the Cooperative of the Member's net meter.

- e. In the event Member is disconnected from service, at the Member's request, for non-payment, or otherwise, no credits will be calculated or issued during the period the Member is disconnected.

6. Operational Standards. Member shall operate and maintain in good order and repair, all without cost to the Cooperative, all equipment required for the safe operation of the Member Facility operating in parallel with the Cooperative's electrical supply and distribution system. Equipment required for safe operation shall include, but not be limited to, equipment necessary to (1) establish and maintain automatic synchronism with the Cooperative's electrical supply and distribution system and (2) automatically disconnect the Member Facility from the Cooperative's electrical supply and distribution system in the event of an overload or outage, including loss of one or more phases of a three phase service, on the Cooperative's electrical supply and distribution system. The Member Facility shall be designed to operate within allowable operating standards for the Cooperative's electrical supply and distribution system. The Member Facility shall not cause any adverse effects upon the quality or reliability of service provided to the Cooperative's other members. Member shall operate its Member Facility in accordance with all applicable rules, laws, and regulations including, but not limited to, IEEE 519 and 1547. Member shall provide a device to disconnect Member Facility from Cooperative's electrical distribution facilities that is accessible and in reasonably close proximity to the billing meter. Member shall obtain any permits required by governmental authorities prior to construction, installation, and interconnection of the Member Facility. Member shall also maintain compliance with these permits during the term of this Agreement.

7. Suspension of Interconnection. It is intended that the interconnection should not compromise the Cooperative's protection or operational requirements. The operation of the Member Facility and the quality of electric energy supplied by the Member shall meet the standards as specified by the Cooperative. If the operation of the Member's system or quality of electric energy supplied (in the case of power export) does not meet the standards as specified, then the Cooperative will notify the Member to take reasonable and expedient corrective action. The Cooperative shall have the right to disconnect the Member Facility until compliance is reasonably demonstrated. Notwithstanding, the Cooperative may, in its sole discretion, disconnect the Member Facility from the Cooperative's electrical supply and distribution system without notice if the operation of the Member Facility imposes a threat, in the Cooperative's sole and absolute judgment, to life or property, or if it at any time adversely affects the operation of the Cooperative's electrical supply and distribution system or the quality and reliability of the Cooperative's electrical service to other members. The Member Facility shall remain disconnected until such time as the Cooperative is satisfied, in its sole judgment, that condition(s) justifying the disconnection have ended or have been corrected.

8. Maintenance Outages. Maintenance outages will occasionally be required on the Cooperative's system, and the Cooperative will attempt to provide as much notice and planning as practical to minimize downtime. It is understood and agreed by the Parties that in some emergency cases, such notice may not be practical. Compensation will not be made for unavailability of the Cooperative's facilities due to outages.

9. Access. Access is required at all times by the Cooperative to the Member's Premises for maintenance and, operation of the Cooperative system, as well as meter reading. The Cooperative reserves the right, but not the obligation, to inspect the Member Facility with or without notice. This provision does not create a duty on the part of the Cooperative to inspect and/or test the Member Facility and the Member shall remain entirely responsible and obligated, as provided herein, for the proper operation and maintenance of the Member Facility.

10. Assignment. Member shall not assign its rights nor delegate its duties under this Agreement without the Cooperative's written consent. Any assignment or delegation made without the Cooperative's written consent shall be invalid. An assignee or new Member must submit a new application to the Cooperative and obtain the Cooperative's and Wolverine's written approval, with a new executed interconnection agreement, before any assignment may occur. Member assumes the responsibility of ensuring a new Member or assignee is aware the new Member or assignee must re-apply and obtain the Cooperative's and Wolverine's written acceptance or the equipment must be removed or disabled to prevent future interconnection and/or operation. The price and payment terms provided for in this Agreement (§5) are limited to the Member only. Any assignee or new Member shall be subject to differing pricing terms at Cooperative's and Wolverine's absolute discretion.

11. Liability and Indemnification. Member shall assume all liability for and shall indemnify the Cooperative for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Member's negligence or other wrongful conduct in connection with the design, construction or operation of the Member Facility.

12. General. The application for the Member Facility is attached as Exhibit A, and, along with all applicable schedules, riders, service regulations, and conditions, is hereby incorporated into this Agreement.

13. Entire Agreement. This Agreement and the documents attached hereto constitute the entire Agreement between the Parties relating to the subject matter hereof, there being no other agreements or understandings, written or oral, other than those contained in this Agreement and the attachments hereto. Other than a previous interconnection agreement between the Parties, this Agreement does not modify, change or impact any other agreement between the Parties relating to the supply of electric service, or the sale of, or purchase of, electric power.

14. Governing Law/Jurisdiction/Venue. This Agreement shall be deemed to have been made in, and shall be construed under, the laws of the State of Michigan. The Parties acknowledge and agree that a court of competent jurisdiction located in Presque Isle County, Michigan shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

AGREED TO BY

Member	
Signature: _____	Spouse's Signature: _____
Printed Name: _____	Spouse's Printed Name: _____
Date: _____	Date: _____
Service Address: _____	
City: _____	
State: _____	
Membership #: _____	

Presque Isle Electric & Gas Cooperative	Wolverine Power Supply Cooperative, Inc.
Signature: _____	Signature: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT A – MEMBER FACILITY DESCRIPTION AND APPLICATION

EXHIBIT B – EXISTING INTERCONNECTION AGREEMENT