

STANDARD AGREEMENT FOR INTERCONNECTION OF DISTRIBUTED GENERATION FACILITIES WITH A CAPACITY LESS THAN OR EQUAL TO 10 MW

This Agreement is made and entered into this ___ day of _____, by and between _____, a _____ organized and existing under the laws of the State of Illinois, (“interconnection customer,”) and _____, an electric distribution company, existing under the laws of the State of Illinois, (“EDC”). interconnection customer and EDC each may be referred to as a “Party, ” or collectively as the “Parties.”

Recitals:

Whereas, interconnection customer is proposing to, install or direct the installation of a distributed generation facility, or is proposing a generating capacity addition to an existing distributed generation facility, consistent with the Interconnection Request Application Form completed by interconnection customer on _____; and

Whereas, the interconnection customer will operate and maintain, or cause the operation and maintenance of the distributed generation facility; and

Whereas, interconnection customer desires to interconnect the distributed generation facility with EDC’s electric distribution system.

Now, therefore, in consideration of the premises and mutual covenants set forth herein, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Parties covenant and agree as follows:

Article 1. Scope and Limitations of Agreement

- 1.1 This Agreement shall be used for all approved interconnection requests for distributed generation facilities that fall under Levels 2, 3 and 4 according to the procedures set forth in Part 466 of the Commission’s rules (83 Ill. Admin. Code Part 466).
- 1.2 This Agreement governs the terms and conditions under which the distributed generation facility will interconnect to, and operate in parallel with, the EDC’s electric distribution system.
- 1.3 This Agreement does not constitute an agreement to purchase or deliver the interconnection customer’s power.
- 1.4 Nothing in this Agreement is intended to affect any other agreement between the EDC and the interconnection customer.
- 1.5 Terms used in this agreement are defined as in Section 466.30 of the Illinois Distributed Generation Interconnection Standard unless otherwise noted.

1.6 Responsibilities of the Parties

- 1.6.1 The Parties shall perform all obligations of this Agreement in accordance with all applicable laws and regulations.
- 1.6.2 The EDC shall construct, own, operate, and maintain its interconnection facilities in accordance with this Agreement.
- 1.6.3 The interconnection customer shall construct, own, operate, and maintain its distributed generation facility and interconnection facilities in accordance with this Agreement.
- 1.6.4 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the Point of Interconnection.
- 1.6.5 The interconnection customer agrees to design, install, maintain and operate its Distributed generation facility so as to minimize the likelihood of causing an adverse system impact on the Electric distribution system or any other electric system that is not owned or operated by the EDC.

1.7 Parallel Operation Obligations

Once the distributed generation facility has been authorized to commence parallel operation, the interconnection customer shall abide by all operating procedures established in IEEE1547 and any other applicable laws, statutes or guidelines, including those specified in Attachment 4 of this Agreement.

1.8 Metering

The interconnection customer shall be responsible for the cost to purchase, install, operate, maintain, test, repair, and replace metering and data acquisition equipment specified in Attachments 5 and 6 of this Agreement.

1.9 Reactive Power

(a) The interconnection customer shall design its distributed generation facility to maintain a power factor at the point of interconnection that is within the power factor range specified by the EDC in Attachment 4. The EDC shall not specify a power factor range that is more stringent than the power factor range load customers of comparable size must maintain in order to avoid reactive demand charges.

(b) Any EDC requirements for meeting a specific voltage or specific reactive power schedule as a condition for interconnection shall be clearly specified in Attachment 4. Under no circumstance shall the EDC's additional requirements for voltage or reactive power schedules exceed the normal operating capabilities of the Distributed generation facility.

(c) If the interconnection customer does not operate the distributed generation facility within the power factor range specified in Attachment 4, or does not operate the distributed generation facility in accordance with a voltage or reactive power schedule specified in Attachment 4, the interconnection customer is in default, and the terms of Section 6.5 apply.

1.10 Standards of Operations

Interconnection customer must obtain all certifications, permits, licenses and approvals necessary to construct, operate and maintain the facility and to perform its obligations under this Agreement. Interconnection customer is responsible for coordinating and synchronizing the Distributed generation facility's equipment with the EDC's system. Interconnection customer is responsible for any damage that is caused by the interconnection customer's failure to coordinate or synchronize the Distributed generation facility with the Electric distribution system. The interconnection customer agrees to be primarily liable for any damages resulting from the continued operation of the distributed generation facility after the EDC ceases to energize the line section to which the distributed generation facility is connected. In Attachment 4 the EDC shall specify the shortest reclose time setting for its protection equipment that could affect the distributed generation facility. EDC shall notify the interconnection customer at least 10 business days prior to adopting a faster reclose time on any automatic protective equipment such as a circuit breaker or line recloser, that might affect the distributed generation facility.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

The interconnection customer shall test and inspect its Distributed generation facility including the interconnection equipment prior to interconnection in accordance with IEEE Standard 1547 (2003) and IEEE Standard 1547.1 (2005). The interconnection customer shall not operate its Distributed generation facility in parallel with EDC's electric distribution system without prior written authorization by the EDC as provided for in 2.1.1 – 2.1.3.

2.1.1 The EDC shall perform a witness test after construction of the Distributed generation facility is completed but before parallel operation, unless the EDC specifically waives the witness test. The interconnection customer shall provide the EDC at least 30 business days notice of the planned commissioning test for the distributed generation facility. If the EDC performs a witness test at a time that is not concurrent with the commissioning test, it shall contact the interconnection customer to schedule the witness test at a mutually agreeable time within 10 business days after the scheduled commissioning test designated on this application. If the EDC does not perform the witness test within 10 business days after the commissioning test, the witness test is deemed waived unless the parties mutually agree to extend the date for scheduling the witness test, or unless the EDC cannot do so for good cause, in which case, the parties shall agree to another date for scheduling the test within 10 business days of the original scheduled date. If the witness test is not acceptable to the EDC, the interconnection customer has 30 business days to address and resolve any deficiencies. This time period may be extended upon agreement between the EDC and the interconnection customer. If the interconnection customer fails to address and resolve the deficiencies to the satisfaction of the EDC, the applicable cure provisions of 6.5 shall apply. The interconnection customer shall, if requested by the EDC, provide a copy of all documentation in its possession regarding testing conducted pursuant to IEEE Standard 1547.1.

- 2.1.2 If the Interconnection customer conducts interim testing of the Distributed generation facility prior to the witness test, the Interconnection customer shall obtain permission before each occurrence of operating the Distributed generation facility in parallel with the Electric distribution system. The EDC may, at its own expense, send qualified personnel to the Distributed generation facility to observe such interim testing, but it cannot mandate that these tests be considered in the final witness test. The EDC is not required to observe such interim testing or precluded from requiring the tests be repeated at the final witness test.
- 2.1.3 After the Distributed generation facility passes the witness test, the EDC shall affix an authorized signature to the certificate of completion and return it to the interconnection customer approving the interconnection and authorizing parallel operation. Such authorization shall not be conditioned or delayed.

2.2 **Commercial Operation**

The Interconnection customer shall not operate the Distributed generation facility, except for interim testing as provided in 2.1, until such time as the certificate of completion is signed by all Parties.

2.3 **Right of Access**

The EDC must have access to the disconnect switch and metering equipment of the Distributed generation facility at all times. When practical, the EDC shall provide notice to the customer prior to using its right of access.

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

3.1 Effective Date

This Agreement shall become effective upon execution by all Parties.

3.2 Term of Agreement

This Agreement shall become effective on the effective date and shall remain in effect unless terminated earlier in accordance with Article 3.3 of this Agreement.

3.3 Termination

- 3.3.1 The interconnection customer may terminate this Agreement at any time by giving the EDC 30 calendar days prior written notice.
- 3.3.2 Either Party may terminate this Agreement after default pursuant to Article 6.5.
- 3.3.3 The EDC may terminate upon 60 calendar days' prior written notice for failure of the interconnection customer to complete construction of the Distributed generation facility within 12 months of the in-service date as specified by the Parties in Attachment 2, which may be extended by agreement between the Parties.

- 3.3.4 The EDC may terminate this Agreement upon 60 calendar days' prior written notice if the Interconnection customer has abandoned, cancelled, permanently disconnected or stopped development, construction, or operation of the Distributed Generation Facility or if the Interconnection customer fails to operate the Distributed generation facility in parallel with EDC's electric system for three consecutive years.
- 3.3.5 Upon termination of this Agreement, the Distributed generation facility will be disconnected from the EDC's electric distribution system. Terminating this Agreement does not relieve either Party of its liabilities and obligations that are owed or continuing when the Agreement is terminated.

3.4 Temporary Disconnection

A Party may temporarily disconnect the Distributed generation facility from the electric distribution system in the event one or more of the following conditions or events occurs:

- 3.4.1 Emergency conditions—shall mean any condition or situation: (1) that in the judgment of the Party making the claim is likely to endanger life or property; or (2) that the EDC determines is likely to cause an adverse system impact, or it is likely to have a material adverse effect on the EDC's Electric distribution system, interconnection facilities or other facilities, or it is likely to interrupt or materially interfere with the provision of electric utility service to other customers; or (3) that, is likely to cause a material adverse effect on the Distributed generation facility or the interconnection equipment. Under emergency conditions, the EDC or the interconnection customer may suspend interconnection service and temporarily disconnect the Distributed generation facility from the Electric distribution system. The EDC must notify the interconnection customer when it becomes aware of any conditions that might affect the interconnection customer's operation of the Distributed generation facility. The interconnection customer shall notify the EDC when it becomes aware of any condition that might affect the EDC's electric distribution system. To the extent information is known, the notification shall describe the condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.
- 3.4.2 Scheduled maintenance, construction, or repair – the EDC may interrupt interconnection service or curtail the output of the Distributed generation facility and temporarily disconnect the Distributed generation facility from the EDC's electric distribution system when necessary for scheduled maintenance, construction, or repairs on EDC's electric distribution system. To the extent possible, the EDC shall provide the interconnection customer with notice five business days before an interruption. The EDC shall coordinate the reduction or temporary disconnection with the interconnection customer; however, the interconnection customer is responsible for out-of-pocket costs incurred by the EDC for deferring or rescheduling maintenance, construction or repair at the Interconnection customer's request.

- 3.4.3 Forced outages - The EDC may suspend interconnection service to repair the EDC's electric distribution system. The EDC shall provide the interconnection customer with prior notice, if possible. If prior notice is not possible, the EDC shall, upon written request, provide the interconnection customer written documentation after the fact explaining the circumstances of the disconnection.
- 3.4.4 Adverse system impact – the EDC must provide the interconnection customer with a written notice of its intention to disconnect the Distributed generation facility if the EDC determines that operation of the Distributed generation facility creates an Adverse system impact. The documentation that supports the EDC's decision to disconnect must be provided to the interconnection customer. The EDC may disconnect the Distributed generation facility if, after receipt of the notice, the interconnection customer fails to remedy the Adverse system impact unless Emergency conditions exist in which case the provisions of 3.4.1 apply. The EDC may continue to leave the generating facility disconnected until the Adverse system impact is corrected.
- 3.4.5 Modification of the Distributed generation facility - The interconnection customer must receive written authorization from the EDC prior to making any change to the Distributed generation facility, other than a minor equipment modification. If the interconnection customer modifies its facility without the EDC's prior written authorization, the EDC has the right to disconnect the Distributed generation facility until such time as the EDC concludes the modification poses no threat to the safety or reliability of its electric distribution system.
- 3.4.6 The EDC is not responsible for any lost opportunity or other costs incurred by the interconnection customer as a result of an interruption of service under this Article 3.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

- 4.1.1 The interconnection customer shall pay for the cost of the interconnection facilities itemized in Attachment 3. The EDC shall identify the additional interconnection facilities necessary to interconnect the Distributed generation facility with the EDC's electric distribution system, the cost of those facilities, and the time required to build and install those facilities.
- 4.1.2 The interconnection customer is responsible for its expenses, including overheads, associated with owning, operating, maintaining, repairing, and replacing its interconnection equipment.

4.2 Distribution Upgrades

The EDC shall design, procure, construct, install, and own any distribution upgrades. The actual cost of the distribution upgrades, including overheads, shall be directly assigned to

the interconnection customer whose Distributed generation facility caused the need for the distribution upgrades.

Article 5. Billing, Payment, Milestones, and Financial Security

5.1 Billing and Payment Procedures and Final Accounting (Applies to additional reviews conducted under a Level 2 review and Level 4 reviews)

5.1.1 The EDC shall bill the Interconnection customer for the design, engineering, construction, and procurement costs of EDC-provided interconnection facilities and distribution upgrades contemplated by this Agreement as set forth in Attachment 3. The billing shall occur on a monthly basis, or as otherwise agreed to between the Parties. The interconnection customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to between the Parties.

5.1.2 Within ninety calendar days of completing the construction and installation of the EDC's interconnection facilities and distribution upgrades described in Attachments 2 and 3 to this Agreement, the EDC shall provide the interconnection customer with a final accounting report of any difference between (1) the actual cost incurred to complete the construction and installation of the EDC's interconnection facilities and distribution upgrades; and (2) the interconnection customer's previous deposit and aggregate payments to the EDC for such interconnection facilities and distribution upgrades. If the interconnection customer's cost responsibility exceeds its previous deposit and aggregate payments, the EDC shall invoice the interconnection customer for the amount due and the interconnection customer shall make payment to the EDC within thirty calendar days. If the interconnection customer's previous deposit and aggregate payments exceed its cost responsibility under this Agreement, the EDC shall refund to the interconnection customer an amount equal to the difference within thirty calendar days of the final accounting report. Upon request from the Interconnection Customer, if the difference between the budget estimate and the actual cost exceeds 20%, the EDC will provide a written explanation for the difference.

5.1.3 If a Party disputes any portion of its payment obligation pursuant to this Article 5, such Party shall pay in a timely manner all non-disputed portions of its invoice, and such disputed amount shall be resolved pursuant to the dispute resolution provisions contained in Article 8. A Party disputing a portion of an Article 5 payment shall not be considered to be in default of its obligations pursuant to this Article.

5.2 Interconnection customer Deposit

At least twenty business days prior to the commencement of the design, procurement, installation, or construction of the EDC's interconnection facilities and distribution upgrades, the interconnection customer shall provide the EDC with a deposit equal to 100% of the estimated, non-binding cost to procure, install, or construct any such facilities.

Article 6. Assignment, Limitation on Damages, Indemnity, Force Majeure, and Default

6.1 Assignment

This Agreement may be assigned by either Party. If the interconnection customer attempts to assign this agreement, the assignee must agree to the terms of this Agreement in writing and such writing must be provided to the EDC. Any attempted assignment that violates this Article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same obligations as the assignor.:

- 6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate (including mergers consolidations, transfers or a sale of a substantial portion of the Party's assets between the Party and another entity), of the assigning Party that has an equal or greater credit rating and the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement;
- 6.1.2 The Interconnection customer can assign this Agreement, without the consent of the EDC, for collateral security purposes to aid in providing financing for the distributed generation facility.

6.2 Limitation on Damages

Except for cases of gross negligence or willful misconduct, the liability of any Party to this Agreement shall be limited to direct actual damages and reasonable attorney's fees, and all other damages at law are waived. Under no circumstances, except for cases of gross negligence or willful misconduct, shall any Party or its directors, officers, employees and agents, or any of them, be liable to another Party, whether in tort, contract or other basis in law or equity for any special, indirect, punitive, exemplary or consequential damages, including lost profits, lost revenues, replacement power, cost of capital or replacement equipment. This limitation on damages shall not affect any Party's rights to obtain equitable relief, including specific performance, as otherwise provided in this Agreement. The provisions of this Section 6.2 shall survive the termination or expiration of the Agreement.

6.3 Indemnity

- 6.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.
- 6.3.2 The Interconnection customer shall indemnify and defend the EDC and the EDC's directors, officers, employees, agents, from all damages and expenses resulting from a third party claim arising out of or based upon the Interconnection customer's (a) negligence or willful misconduct or (b) breach of this Agreement, except to the extent caused by the EDC's gross negligence or willful misconduct.

The EDC shall indemnify and defend the interconnection customer and the interconnection customer's directors, officers, employees, and agents from all damages and expenses resulting from a third party claim arising out of or based upon the EDC's (a) negligence or willful misconduct or (b) breach of this Agreement, except to the extent caused by the interconnection customer's gross negligence or willful misconduct.

- 6.3.3 Within 5 business days after receipt by an indemnified Party of any claim or notice that an action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply has commenced, the indemnified Party shall notify the indemnifying Party of such fact. The failure to notify or a delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying Party.
- 6.3.4 If an indemnified Party is entitled to indemnification under this Article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Article, to assume the defense of such claim, such indemnified Party may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 6.3.5 If an indemnifying Party is obligated to indemnify and hold any indemnified Party harmless under this Article, the amount owing to the indemnified person shall be the amount of such indemnified Party's actual loss, net of any insurance or other recovery.

6.4 Force Majeure

- 6.4.1 As used in this Article, a force majeure event shall mean any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment through no direct, indirect, or contributory act of a Party, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A force majeure event does not include an act of gross negligence or intentional wrongdoing by the Party claiming Force Majeure.
- 6.4.2 If a force majeure event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the force majeure event (Affected Party) shall notify the other Party of the existence of the force majeure event within one business day. The notification must specify the circumstances of the force majeure event, its expected duration, and the steps that the Affected Party is taking and will take to mitigate the effects of the event on its performance. If the initial notification is verbal, it must be followed up with a written notification within one business day. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the force majeure event until the event ends. The Affected Party may suspend or modify its obligations under this Agreement (other

than the obligation to make payments) only to the extent that the effect of the force majeure event cannot be otherwise mitigated.

6.5 Default

- 6.5.1 No default shall exist when the failure to discharge an obligation (other than the payment of money) results from a force majeure event as defined in this Agreement, or the result of an act or omission of the other Party.
- 6.5.2 A Party shall be in default (“Default”) of this Agreement if (1) it fails in any material respect to comply with, observe or perform, or defaults in the performance of, any covenant or obligation under this Agreement and fails to cure such failure within sixty (60) calendar days after receiving written notice from the other Party. Upon a default of this Agreement, the non-defaulting Party shall give written notice of such default to the defaulting Party. Except as provided in Article 6.5.3, the defaulting Party has 60 calendar days from receipt of the default notice to cure such default; provided however, if the default cannot be cured within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after original notice and complete such cure within six months from receipt of the default notice; and, if cured within such time, the default specified in such notice shall cease to exist.
- 6.5.3 If a Party has assigned this Agreement that is not specifically authorized by Article 6.1 and fails to provide reasonable access pursuant to Article 2.3, is in default of its obligations pursuant to Article 7, or if a Party is in default of its payment obligations pursuant to Article 5 of this Agreement, the defaulting Party has 30 days from receipt of the default notice to cure such default.
- 6.5.4 If a default is not cured as provided for in this Article, or if a default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

Article 7. Insurance

For distributed generation facilities with a nameplate capacity of 1 MW or above, the interconnection customer shall carry insurance coverage that the maximum comprehensive/general liability coverage that shall be continuously maintained by the interconnection customer during the term shall be not less than \$2,000,000 for each occurrence, and an aggregate, if any, of at least \$4,000,000. The EDC, its officers, employees and agents will be added as an additional insured on this policy.

The Interconnection customer agrees to provide the EDC with at least thirty calendar days advance written notice of cancellation, a reduction in limits, or non-renewal of any insurance policy required herein.

Article 8. Dispute Resolution

- 8.1 Parties shall attempt to resolve all disputes regarding interconnection as provided in this section in a good faith manner.
- 8.2 If there is a dispute between the Parties about an interpretation of the Agreement, the aggrieved Party shall issue a written notice to the other Party to the agreement that specifies the dispute and the Agreement articles that are disputed.
- 8.3 A meeting between the Parties shall be held within ten days from receipt of the written notice. Persons with decision-making authority from each Party shall attend such meeting. If the dispute involves technical issues, persons with sufficient technical expertise and familiarity with the issue in dispute from each Party shall also attend the meeting. The meeting may be conducted by teleconference.
- 8.4 After the first meeting, each Party may seek resolution through complaint or mediation procedures available at the Commission. The Commission may designate an engineer from the Commission's Energy Division to assist in resolving the dispute. Dispute resolution shall be conducted in a manner designed to minimize costs and delay. Dispute resolution may be conducted by phone.
- 8.5 Pursuit of dispute resolution may not affect an Interconnection request or an interconnection applicant's position in the EDC's interconnection queue.
- 8.6 If the Parties fail to resolve their dispute under the dispute resolution provisions of this Article, nothing in this Article shall affect any Party's rights to obtain equitable relief, including specific performance, as otherwise provided in this Agreement.

Article 9. Miscellaneous

9.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Illinois, without regard to its conflicts of law principles. This Agreement is subject to all applicable laws and regulations. Each Party expressly reserves the right to seek change in, appeal, or otherwise contest any laws, orders or regulations of a governmental authority. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against EDC or interconnection customer, regardless of the involvement of either Party in drafting this instrument.

9.2 Amendment

Modification of this Agreement shall be only by a written instrument duly executed by both Parties.

9.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

9.4 Waiver

9.4.1 Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

9.4.2 Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights hereunder terminated, shall not constitute a waiver or relinquishment of any rights set out herein, but the same shall be and remain at all times in full force and effect, unless and only to the extent expressly set forth in a written document signed by the Party granting such waiver or relinquishing any such right(s). Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver or of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition herein.

9.5 Entire Agreement

Except as provided in subsection 9.1, this Agreement, including all attachments, constitutes the entire Agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

9.6 Multiple Counterparts

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

9.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

9.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

9.9 Environmental Releases

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

9.10 Subcontractors

Nothing in this Agreement shall prevent a Party from using the services of any subcontractor it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

9.10.1 A subcontract relationship does not relieve any Party of any of its obligations under this Agreement. The hiring Party remains responsible to the other Party for the acts or omissions of its subcontractor. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

9.10.2 The obligations under this Article cannot be limited in any way by any limitation of subcontractor's insurance.

Article 10. Notices

10.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to Interconnection Customer:

Interconnection Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ E-mail _____

If to EDC:

EDC _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ E-mail _____

Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other Party and not required by this Agreement to be in writing may be given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out above.

10.2 Billing and Payment

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

If to Interconnection Customer

Interconnection Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

If to EDC

EDC: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

10.3 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's

Operating representative: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ E-Mail _____

EDC's Operating Representative: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

10.4 Changes to the Notice Information

Either Party may change this notice information by giving five business days written notice before the effective date of the change.

Article 11. Signatures

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

For the Interconnection Customer:

Name: _____

Title: _____

Date: _____

For EDC:

Name: _____

Title: _____

Date: _____

Attachment 1

Definitions

Adverse system impact - A negative effect that compromises the safety or reliability of the electric distribution system or materially affects the quality of electric service provided by the electric distribution company (EDC) to other customers.

Applicable laws and regulations – All duly promulgated applicable federal, State and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority, having jurisdiction over the parties.

Commissioning test – Tests applied to a Distributed generation facility by the applicant after construction is completed to verify that the facility does not create adverse system impacts. At a minimum, the scope of the commissioning tests performed shall include the commissioning test specified IEEE standard 1547 section 5.4 “Commissioning tests”.

Distributed generation facility - The equipment used by an interconnection customer to generate or store electricity that operates in parallel with the electric distribution system. A Distributed generation facility typically includes an electric generator, prime mover, and the Interconnection Equipment required to safely interconnect with the electric distribution system or a local electric power system.

Distribution upgrades –A required addition or modification to the EDC's electric distribution system at or beyond the Point of Interconnection to accommodate the interconnection of a Distributed generation facility. Distribution upgrades do not include interconnection facilities.

Electric distribution company or **EDC** - Any electric utility entity subject to the jurisdiction of the Illinois Commerce Commission.

Electric distribution system –The facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries from interchanges with higher voltage transmission networks that transport bulk power over longer distances. The voltage levels at which electric distribution systems operate differ among areas but generally carry less than 69 kilovolts of electricity. Electric distribution system has the same meaning as the term Area EPS, as defined in 3.1.6.1 of IEEE Standard 1547.

Facilities study – An engineering study conducted by the EDC to determine the required modifications to the EDC’s electric distribution system, including the cost and the time required to build and install such modifications, as necessary to accommodate an Interconnection Request.

Force majeure event -- Shall mean any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment through no direct, indirect, or contributory act of a Party, any order, regulation or restriction imposed by governmental, military or lawfully established civilian

authorities, or any other cause beyond a Party's control. A force majeure event does not include an act of gross negligence or intentional wrongdoing

Governmental authority – Any federal, State, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the interconnection customer, EDC or any affiliate thereof.

IEEE Standard 1547 - The Institute of Electrical and Electronics Engineers, Inc. (IEEE), 3 Park Avenue New York, NY 10016-5997, Standard 1547 (2003) "Standard for Interconnecting Distributed Resources with Electric Power Systems."

IEEE Standard 1547.1 - The IEEE Standard 1547.1 (2005) "Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.'

Interconnection agreement or Agreement – The agreement between the interconnection customer and the EDC. The Interconnection agreement governs the connection of the Distributed generation facility to the EDC's electric distribution system and the ongoing operation of the Distributed generation facility after it is connected to the EDC's electric distribution system.

Interconnection customer – The entity entering into this Agreement for the purpose of interconnecting a Distributed generation facility to the EDC's electric distribution system.

Interconnection equipment – A group of components or an integrated system connecting an electric generator with a local electric power system or an electric distribution system that includes all interface equipment including switchgear, protective devices, inverters or other interface devices. Interconnection equipment may be installed as part of an integrated equipment package that includes a generator or other electric source.

Interconnection facilities – Facilities and equipment required by the EDC to accommodate the interconnection of a Distributed generation facility. Collectively, interconnection facilities include all facilities, and equipment between the Distributed generation facility and the point of interconnection, including modification, additions, or upgrades that are necessary to physically and electrically interconnect the Distributed generation facility to the electric distribution system. Interconnection facilities are sole use facilities and do not include distribution upgrades.

Interconnection request – An interconnection customer's request, on the required form, for the interconnection of a new Distributed generation facility, or to increase the capacity or change the operating characteristics of an existing Distributed generation facility that is interconnected with the EDC's electric distribution system.

Interconnection study shall mean any of the following studies, as determined to be appropriate by EDC: the interconnection feasibility study, the interconnection system impact study, and the interconnection facilities study.

Illinois standard distributed generation interconnection rules – The most current version of the procedures for interconnecting Distributed generation facilities adopted by the Illinois Commerce Commission. See 83 Ill. Admin. Part 466.

Parallel operation or **parallel** - The state of operation which occurs when a Distributed generation facility is connected electrically to the electric distribution system.

Point of interconnection - The point where the Distributed generation facility is electrically connected to the electric distribution system. Point of Interconnection has the same meaning as the term “point of common coupling” defined in 3.1.13 of IEEE Standard 1547.

Witness test - For lab certified equipment, verification (either by an on-site observation or review of documents) by the EDC that the interconnection installation evaluation required by IEEE Standard 1547 Section 5.3 and the commissioning test required by IEEE Standard 1547 Section 5.4 have been adequately performed. For Interconnection equipment that has not been lab certified, the witness test shall also include verification by the EDC of the on-site design tests as required by IEEE Standard 1547 Section 5.1 and verification by the EDC of production tests required by IEEE Standard 1547 Section 5.2. All tests verified by the EDC are to be performed in accordance with the test procedures specified by IEEE Standard 1547.1.

Attachment 2

Construction Schedule, Proposed Equipment & Settings

This attachment is to be completed by the interconnection customer and shall include the following:

1. The construction schedule for the Distributed generation facility.
2. A one-line diagram indicating the Distributed generation facility, Interconnection equipment, Interconnection facilities, metering equipment, and Distribution upgrades.
3. Component specifications for equipment identified in the one-line diagram.
4. Component settings.
5. Proposed sequence of operations.
6. A three line diagram showing current potential circuits for protective relays.
7. Relay tripping and control schematic diagram.

Attachment 3

Description, Costs and Time Required to Build and Install EDC's Interconnection Facilities

This attachment is to be completed by the EDC and shall include the following:

1. Required Interconnection facilities, including any required metering,
2. An estimate of itemized costs charged by EDC for interconnection, including overheads, based on results from prior studies.
3. An estimate for the time required to build and install the EDC's interconnection facilities based on results from prior studies.

Attachment 4

Operating Requirements for Distributed Generation Facilities Operating in Parallel

The EDC shall list specific operating practices that apply to this distributed generation interconnection and the conditions under which each listed specific operating practice applies.

Attachment 5

Monitoring and Control Requirements

This attachment is to be completed by the EDC and shall include the following:

1. The EDC's monitoring and control requirements must be specified along with a reference to the EDC's written requirements documents from which these requirements are derived
2. An internet link to the requirements documents.

Attachment 6

Metering Requirements

This attachment is to be completed by the EDC and shall include the following:

1. The metering requirements for the Distributed generation facility
2. Identification of the appropriate tariffs that establish these requirements
3. An internet link to these tariffs.

Attachment 7

As Built Documents

This attachment is to be completed by the interconnection customer and shall include the following:

When it returns the certificate of completion to the EDC, the interconnection customer shall provide the EDC with documents detailing the as-built status of the following:

1. A one-line diagram indicating the Distributed generation facility, interconnection equipment, interconnection facilities, and metering equipment.
2. Component specifications for equipment identified in the one-line diagram
3. Component settings
4. Proposed sequence of operations
5. A three line diagram showing current potential circuits for protective relays
6. Relay tripping and control schematic diagram