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October 18, 2023
Applicability: Board and Management

BOARD AND MANAGEMENT POLICY NO. 590 NET ENERGY METERING

I. PURPOSE

To establish a policy regarding net energy metering and to assist in implementing the net energy metering provisions of the Maryland Code.¹

II. PROCEDURE

A. Authority

Pursuant to the Electric Cooperative Act,² the Board of Directors of Choptank Electric Cooperative (hereinafter, “Board”) has the authority to implement a net energy metering program that is consistent with § 7-306 of the Public Utilities Article (PUA) of the Maryland Code.

B. Definitions³

In this policy, words have the meanings indicated in Appendix A.

C. Meter⁴

The Cooperative shall ensure that the meter installed for net energy metering is capable of measuring the flow of electricity in two directions. The Cooperative’s Line Extension Policy will apply. Where the Cooperative’s charges outlined in this Line Extension Policy are less than the full cost of extending service, the Cooperative makes certain assumptions about the future revenue which will result from the extension. If the Cooperative determines that, within the first three years after the installation, the member has made a material misrepresentation or failed to meet any condition of this line extension policy (e.g., fails to meet the 12,000 kwh revenue requirement), the Cooperative may, in its discretion, charge the member up to the amount of the line extension discount previously provided.⁵

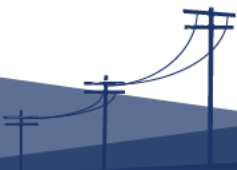
¹ As stated in PUA § 7-306(b), the Maryland General Assembly has found and declared that “a program to provide net energy metering for eligible customer-generators is a means to encourage private investment in renewable energy resources, stimulate in-State economic growth, enhance continued diversification of the State’s energy resource mix, and reduce costs of interconnection and administration.”

² Maryland Code, Corporations and Associations Article, Title 5, Subtitle 6, Part VI: Member-Regulated Cooperatives (2020).

³ Implements PUA § 7-306(a)

⁴ Implements PUA § 7-306(c)

⁵ Choptank Electric Tariff section 104



D. Considerations⁶

1. This policy shall serve as the standard contract or tariff for net energy metering required by PUA § 7-306.
2. Net energy metering shall be available to eligible customer-generators on a first-come, first-served basis until the rated generating capacity owned and operated by eligible customer-generators in the State reaches 3,000 megawatts.
3. Restricted and closed areas to additional generation.

Some areas of the Cooperative's distribution system cannot support additional generation. A map of those restricted areas is available on the Cooperative website at <https://choptankelectric.coop/green-energy>.

4. The Cooperative's net energy metering policy shall be identical, in energy rates, rate structure, and monthly charges, to the contract or tariff that the member would be assigned if the member were not an eligible customer-generator.

E. Calculation⁷

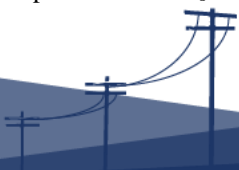
1. The Cooperative shall calculate net energy metering in accordance with this policy subsection.
2. The monthly rate, rate components, and billing unit provisions shall be those as stated under the member's applicable rate tariff. Consumer charge, extension charges, demand charges, power factor adjustment, reactive kilovolt-ampere-hour charge, harmonic distortion charge, etc. are not affected by net energy metering.
3. Net energy produced or consumed on a regular basis shall be measured in accordance with standard metering practices.
4. A net metering bill explainer is available on the Cooperative website at https://choptankelectric.coop/sites/choptankelectric/files/documents/Net%20Metering%20Explainer_FINAL.pdf.
5. Consumption Exceeds Generation

If watt-hour energy supplied by the grid exceeds watt-hour energy generated by the eligible customer-generator during a month, the eligible customer-generator shall be billed for the net energy supplied, along with any applicable charges, in accordance with section (D) of this policy.

6. Generation Exceeds Consumption
 - a. If watt-hour energy generated by the eligible customer-generator exceeds the watt-hour energy supplied by the grid, the eligible customer-generator shall be billed only the applicable charges for that month in accordance with section (D) of this policy.
 - b. An eligible customer-generator under this subsection may accrue net excess generation for a period:
 - not to exceed 12 months; and

⁶ Implements PUA § 7-306(d)-(e)

⁷ Implements PUA § 7-306(f)(1)-(5)

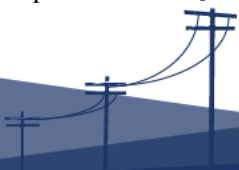


- that ends with the billing cycle that is complete immediately prior to the end of April of each year.
- c. The Cooperative shall carry forward (in kWhs) net excess generation until:
 - the eligible customer-generator's consumption of electricity from the grid eliminates the net excess generation; or
 - the accrual period under subparagraph (b) of this paragraph expires.
 - d. The dollar value of net excess generation shall be equal to the commodity portion of the rate that the eligible customer-generator would have been charged by the electric company averaged over the previous 12-month period ending with the billing cycle that is complete immediately prior to the end of April multiplied by the number of kilowatt-hours of net excess generation.
 - e. For customers served by an electricity supplier, the dollar value of the net excess generation shall be equal to the commodity rate that the customer would have been charged by the electricity supplier multiplied by the number of kilowatt-hours of net excess generation.

F. Payment⁸

1. On or before 30 days after the billing cycle that is complete immediately prior to the end of April of each year, the electric company shall pay each eligible customer-generator for the dollar value of any accrued net excess generation remaining at the end of the previous 12-month period ending with the billing cycle that is complete immediately prior to the end of April. If the value of the net excess generation is \$100 or less, a bill credit will be issued.
2. Within 30 days after the date the eligible customer-generator closes his account, the Cooperative shall pay him for the dollar value of any accrued net excess generation remaining at the time the eligible customer-generator closes the account.
3. Notwithstanding the preceding paragraphs of this subsection, an eligible customer-generator may choose to be paid for the dollar value of net excess generation remaining at the end of each month instead of at the end of the accrual period specified under paragraph (4)(d)(ii) of this policy. If an eligible customer-generator chooses to be paid for the dollar value of net excess generation remaining at the end of each month:
 - a. the customer-generator may accrue net excess generation on a monthly basis;
 - b. the dollar value of the net excess generation shall be equal to the generation or commodity portion of the rate that the eligible customer-generator would have been charged by the Cooperative for the previous month; and
 - c. on or before 30 days after the end of each month, the Cooperative shall pay the eligible customer-generator for the dollar value of net excess generation remaining at the end of the previous month. If the value of the net excess generation is \$100 or less, a bill credit will be issued.
4. If an eligible customer-generator is delinquent for at least 60 days, all excess kWhs will be paid out at the current commodity portion of the rate that the eligible customer-generator would have been charged for the accrual period and applied to the delinquency.

⁸ Implements PUA § 7-306(f)(6)-(7)



5. Final Billing

The dollar value of the net excess generation will first be applied to the final bill. The dollar amount that exceeds the final bill will be paid in the form of a check or applied to an active Choptank Electric Cooperative account.

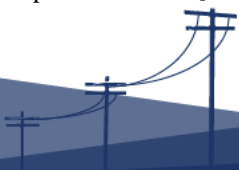
G. Specifications⁹

1. The eligible customer-generator is responsible for designing, installing, operating, and maintaining its equipment in accordance with interconnection agreements and applicable standards. This includes installing, setting, and maintaining all protective devices necessary for safe grid integration, protection of the eligible customer-generator's equipment, and protection of the Cooperative's facilities. An electric generating system used by an eligible customer-generator for net energy metering shall not be connected to the Cooperative's system unless it meets all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and other applicable codes established by local public authorities. The Cooperative's engineering and safety requirements are outlined in Appendix B. Appendix B may be updated from time to time without requiring Board approval, in order to ensure public safety and system reliability.
2. If an electric generating system meets the requirements of F(1) and Appendix B, the Cooperative may not require an eligible customer-generator to:
 - a. install additional controls;
 - b. perform or pay for additional tests; or
 - c. purchase additional liability insurance.
3. The Cooperative shall provide data to the Commission as requested, in order for the Commission to meet its obligation to report to the General Assembly on the status of the state's net energy metering program.
4. An eligible customer-generator or his assignee shall own and have title to all renewable energy attributes or renewable energy credits associated with any electricity produced by his electric generating system.

H. Process

1. A Cooperative member seeking to participate in net energy metering shall first consult the Cooperative's website (<https://choptankelectric.coop/green-energy>) to determine whether there is available capacity on the Cooperative's distribution system for additional generation.
2. A Cooperative member seeking to participate in net energy metering shall first complete the appropriate Interconnection Request Application Form and Conditional Agreement to Interconnect. The form shall be submitted using the online tool on the Cooperative website; the template is attached as Appendix C for reference.
3. The Cooperative will review the application for accuracy, completeness, requested installed capacity, base load, and substation availability. Once completeness is confirmed, an acknowledgement of the application will be issued to the applicant.
4. Once an application is acknowledged, engineering will complete a review of the transformer size, secondary size/length, and compile list of necessary upgrades if applicable. The applicant shall pay the cost of required upgrades. Larger systems may

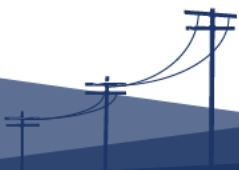
⁹ Implements PUA § 7-306(g)



require additional engineering studies, such as feasibility, and/or impact, and/or facilities studies funded by the applicant.

5. A Conditional Approval to install will be issued if the applicant meets or agrees to meet all engineering requirements. This is only issued after the applicant agrees to meet all engineering requirements; failure to receive Conditional Approval prior to starting construction may result in additional costs, additional equipment, and the interconnection being delayed or denied.
 6. For level 2, 3, and 4 applications, an Interconnection Agreement (IA) will be sent to the applicant for signature, and must be returned to the Cooperative. Form attached as Appendix D
 7. A certificate of insurance shall be obtained for systems greater than or equal to 1MW, and submitted to insurance@choptankelectric.coop.
 8. A Certificate of Completion (COC) Form attached as Appendix E & proof of inspection shall be submitted by the applicant.
 9. If deemed necessary by the Cooperative, a witness test shall be conducted.
 10. After the Cooperative confirms proper installation of the system, the Certificate of Completion (COC) is signed granting the applicant Permission to Operate (PTO).
 11. The system is not to be energized until after receiving the PTO. Generation prior to PTO will not be credited and may result in additional kwh charges, fines, or penalties. Choptank will not recalculate any bills prior to PTO.
- I. Material Changes to Existing Systems
1. If the generator-owner is upgrading, increasing, changing their equipment, changing the energy sales strategy, or changing the proposed use of an existing small generator facility, they must notify the Cooperative¹⁰. The Cooperative may require a generator to reapply prior to receiving a new PTO. This includes, but is not limited to: changing or replacing inverters or solar panels; changing system capacity; adding or increasing battery capacity; adding an additional source of generation and/or storage; removing equipment; decommissioning system.
 2. An existing net metering generation facility that fails to generate for the number of years stated in the IA will be considered retired and must reapply to the Cooperative for PTO. At that time available Choptank system capacity restrictions may restrict ability to achieve PTO.
- J. Net Energy Metering Aggregation
1. This policy shall serve as the standard contract or tariff for net energy metering aggregation.
 2. When requested in writing by a qualified eligible customer-generator, the Cooperative shall provide meter aggregation. To request meter aggregation, the customer-generator shall submit the Self-Certification Form attached as Appendix F.
 3. The customer-generator shall provide written allocation instructions detailing how to distribute its excess generation credits to each account prior to the commencement of any meter aggregation. Allocation instructions shall be provided using the Account List attached as Appendix G.

¹⁰ Similar to COMAR 20.50.09.06

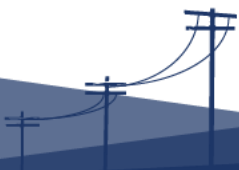


4. Eligibility.¹¹

- a. The following eligible customer-generators are qualified to request meter aggregation: Members may not aggregate across multiple categories.
 - i. An eligible customer-generator using electrical service for agriculture;
 - ii. An eligible customer-generator who is a not-for-profit organization or a not-for-profit business;
 - iii. An eligible customer-generator who is a municipal or county government or its affiliated organization;
 - iv. A unit of state government; or
 - v. A public senior higher education institution, as defined in §10-101 of the Education Article.
- b. To be eligible for aggregated net metering, each aggregated account must share the same Customer ID Number.
 - i. The property address of each aggregated account must be owned or leased by the host customer-generator.
 - ii. The generator and each of the aggregated accounts must be located within Choptank's service territory.
 - iii. The host and aggregated meters must be billed in the same cycle.
 - iv. The 200% rule applies at the level of the Customer ID Number.
 - Limits will be verified for compliance.
 - When a new application for Net Energy Metering Aggregation is submitted, the 200% rule will be reevaluated.
 - This rule applies to all subsequent changes to each system.
- c. To be eligible for agricultural aggregated net energy metering, a customer-generator must meet all of the requirements below. The Cooperative reserves the right to request reasonable proof that each requirement is satisfied prior to approving the Account List.
 - i. Each aggregated account must separately meet the definition of "Agriculture" as defined in COMAR 27.01.01.01.¹²
 - ii. The property address of each aggregated account must be zoned to allow agricultural use.
 - iii. Residential property may not typically be aggregated, with the following exceptions:
 - One "farmhouse" or dwelling per host customer-generator may be aggregated.
 - Housing owned or leased by the host customer-generator for the purpose of providing housing as part of an employee's

¹¹ Similar to COMAR 20.50.10.07 Meter Aggregation.

¹² COMAR 27.01.01.01 Agriculture.



compensation (i.e., tenant or migrant worker housing) may be aggregated.

5. Meter Aggregation Method¹³

a. Virtual Meter Aggregation.

- i. If an aggregation qualified eligible customer-generator's electrical services are not located close enough to physically interconnect metered service, the electric company shall sum the usage and excess generation of all applicable accounts on a kilowatt-hour basis over each billing period prior to calculating the customer's excess generation for that billing period.
- ii. The electric company shall allocate generated electricity to each account per the Aggregated Net Energy Metering Account List submitted by the customer, which may be revised once annually.
- iii. The monthly rate, rate components, and billing unit provisions shall be those as stated under the member's applicable rate tariff. Consumer charge, extension charges, demand charges, power factor adjustment, reactive kilovolt-ampere-hour charge, harmonic distortion charge, etc. are not affected by net energy metering.

b. Physical Meter Aggregation.

- i. For an aggregation qualified eligible customer-generator whose electrical services are located close enough to physically interconnect and meter at a single point, the electric company shall allow the customer to make physical electrical connections and re-establish metering at a single location.
- ii. Physically aggregated services must meet all applicable requirements of COMAR 20.50.01 and 20.50.02.
- iii. The electric company shall allocate the net-energy used each billing period and the excess generation credit calculated each billing period to each account per the Aggregated Net Energy Metering Account List submitted by the customer.

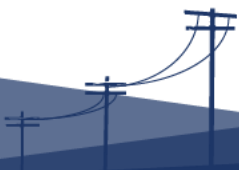
K. Change in System Ownership

A change notice, attached as Appendix H, must be completed when a change in system ownership occurs.

L. Member Complaints

Pursuant to MD Corp & Assn Code § 5-640 (2020), complaints by members of a Member-Regulated Cooperative shall be heard, decided, and resolved by the Cooperative's Board of Directors. This includes complaints related to the Cooperative's net energy metering policy. The Cooperative has implemented Board Policy 501: Member Complaints to hear and resolve, in a fair and prompt manner, complaints from members. That policy is available on the Cooperative's website.

¹³ Similar to COMAR 20.50.10.08 Meter Aggregation Method.



III. RESPONSIBILITY

The President & CEO is responsible for administering this policy and for recommending to the Board any changes deemed desirable.

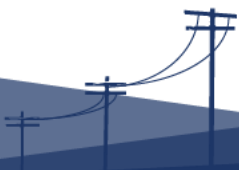
This policy supersedes all previous versions of the policy and all other instructions dated prior to this policy and in conflict with its provisions.



Douglas D. Scott, Chairman

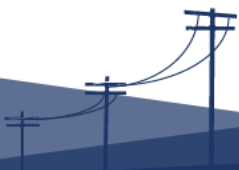
REVISION HISTORY

Revision Number	Effective Date	Description of Changes
1	12/21/2022	New document.
2	3/7/2023	Minor change to add 2024 smart inverters requirement in Appendix B.
3	10/18/2023	Implement net metering aggregation category changes from House Bill 1188. Added clarifying language regarding the 200% rule to the Net Energy Metering Aggregation section. Updated Appendix B. Updated Appendix C. Updated Appendix E. Updated Appendix F.



Appendix A: Definitions

1. Throughout this policy, the masculine use of a word includes the feminine and neutral uses.
2. “Biomass” means “qualified biomass” and refers to a nonhazardous, organic material that is available on a renewable or recurring basis, and is further defined in PUA § 7–701.
3. “Closed conduit hydro” means a hydroelectric generating facility that:
 - a. generates electricity within existing piping or limited adjacent piping of a potable water supply system;
 - b. is owned or operated by a municipal corporation or public water authority; and
 - c. is designed to produce less energy than is consumed to operate the water supply system.
4. “Eligible customer-generator” means a Cooperative member that owns and operates, leases and operates, or contracts with a third party that owns and operates a biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydro electric generating facility that:
 - a. is located on the member’s premises or contiguous property;
 - b. is interconnected and operated in parallel with the Cooperative’s transmission and distribution facilities; and
 - c. is intended primarily to offset all or part of the member’s own electricity requirements.A Cooperative member on a GT or PT rate shall not be an eligible customer-generator.
5. “Fuel cell” means an electric generating facility that:
 - a. includes integrated power plant systems containing a stack, tubular array, or other functionally similar configuration used to electrochemically convert fuel to electric energy; and
 - b. may include:
 - i. an inverter and fuel processing system; and
 - ii. other plant equipment to support the plant’s operation or its energy conversion, including heat recovery equipment.
6. “Micro combined heat and power” means the simultaneous or sequential production of useful thermal energy and electrical or mechanical power not exceeding 30 kilowatts.
7. “Net energy metering” means measurement of the difference between the electricity that is supplied by an electric company and the electricity that is generated by an eligible customer-generator and fed back to the electric grid over the eligible customer-generator’s billing period.
8. “Net excess generation” means the amount of the electricity generated by an eligible customer-generator that is in excess of the electricity consumed by the eligible customer-generator and that results in a negative kilowatt–hour reading at the end of the eligible customer-generator’s billing cycle.

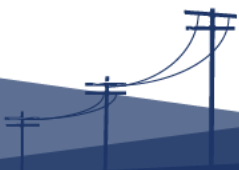


Appendix B: Engineering and Safety Requirements

1. All customer-generator interconnection requests are contingent on available system load offset and hosting capacity availability.
2. In order to initially qualify for net energy metering:
 - a. An eligible customer-generator shall comply with the provisions of COMAR 20.50.09; and
 - b. The eligible customer-generator's proposed electric generating system may not exceed 200 percent of the eligible customer-generator's baseline annual usage.
3. All tariff terms and conditions, including those related to power quality shall apply, if in conflict with this appendix, the more restrictive requirements shall apply.
4. When multiple generating systems are co-located on Choptank line segments and facilities, their capacities may be summed for establishing thresholds requiring engineering studies and for other requirements under this policy.
5. The generating capacity of an electric generating system used by an eligible customer-generator for net energy metering may not exceed 2 megawatts¹⁴.
6. The eligible customer-generator facility shall be located on the member's premises or contiguous property and shall be connected on the load side of the service equipment overcurrent protection.
7. Any customer-generator system over 100kw must be connected as a three-phase interconnection.
8. If a Level 2 system is built near available three phase lines, the cooperative reserves the right to require it be built as a three-phase system at the generators expense.
9. Generation will not be permitted on open delta transformer supplied services. A three phase transformer setup must be utilized as required by the Cooperative.
10. System Studies:
 - a. Level 2 systems may be subject to additional engineering studies, such as feasibility, and/or impact, and/or facilities studies at customer-generator's expense based on size and location.
 - b. Systems over 500kW shall require additional engineering studies, such as feasibility, and/or impact, and/or facilities studies at the customer-generator's expense, these studies may identify additional controls, equipment and/or operational requirements to be installed at the generators expense.
11. Any system over 750kw will require a direct transfer trip protective system at the customer-generator's expense.
12. A medium voltage recloser will be required by the utility on all systems over 1MW, at the customer-generator's expense.
13. Voltage fluctuations at the point of interconnection for customer-generator systems are limited to 3% on primary lines and secondary lines as well as half of the bandwidth of any voltage regulator or half the net dead band of a capacitor bank.
14. Voltage rise created at the point of interconnection (POI) during maximum system output must remain under the ANSI or state limits whichever is more conservative.
15. Customer-generation systems must not disrupt protective systems associated with the Cooperative or mitigation is required at the expense of the customer-generator.
16. All Customer-generation systems must utilize a disconnect switch accessible to Cooperative personnel within 10 feet of the utility meter. The disconnect switch must be sized and capable of isolating the generation system from the utility network.
 - a. If not visible from the Cooperative's meter, the customer -generator is responsible for affixing signage to the disconnect switch and next to the Cooperative's meter stating location of the switch.¹⁵ Disconnect switch signage shall state "Choptank Interconnected

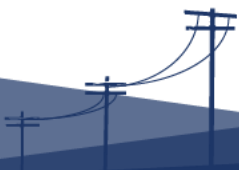
¹⁴ PUA 7-306g

¹⁵ Similar to COMAR 20.50.09.06



A/C disconnect switch”.

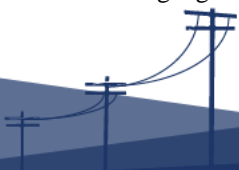
- b. If a lockbox is required for accessibility it shall be installed at the Customer-generator’s expense and must first be approved by the Cooperative.
17. As required by Maryland state rules beginning in January 2024, and/or by distribution system characteristics, the customer-generator shall utilize equipment with advanced functionality often referred to as ‘smart inverters’. These inverters shall be UL 1741 certified and installed and commissioned with current IEEE 1547 specified capabilities.
18. The Cooperative requires the customer generator to utilize a Cooperative provided AMI metering. Additional communication and monitoring equipment may be required and installed at the generator’s expense.
19. Voltage phase balance – 3% - Customer generators with three phase systems must maintain balanced current output to limit voltage imbalance. Percent voltage imbalance must be limited to 3% as defined in the ANSI C84.1 standard.
20. Any eligible customer-generator must notify the Cooperative, in writing, at least 30 days prior to activating the eligible customer-generator facility.
21. The eligible customer-generator must obtain, at their expense, all necessary inspections and approvals required by the local public authorities before the eligible customer-generating device is connected in parallel with the Cooperative’s system.
22. Only electrical energy generated by an eligible customer-generator facility will be net metered. Generation from sources other than an eligible customer-generator may make the consumer ineligible for service.
23. The delivery voltage of the eligible customer-generator facility shall be at the same voltage level and phase relationship as that delivered to the member by the Cooperative.
 - a. The Cooperative may require a ramp rate to ensure voltage requirements are met and mitigate potential voltage instability.
24. Parallel Operation with the Cooperative’s System.
 - a. Parallel operation with the Cooperative’s system requires compliance with the National Electrical Code and other authorities having jurisdiction which provides safety for personnel, protection against damage to electrical equipment, and maintains service reliability to other members.
 - b. The member’s eligible customer-generating equipment must be installed and configured so that parallel operation will cease immediately and automatically during system outages or loss of power from the Cooperative. The member must also cease parallel operation upon notification by the Cooperative of a system emergency, abnormal condition, or in cases where such operation is deemed to be unsafe, interferes with service reliability to other members, or interfered with system maintenance or operation. The Cooperative accepts no responsibility or liability for damage or injury to any person or property caused by failure of the member to operate an eligible customer-generating device in compliance with applicable codes, regulations, or Cooperative requirements.
25. Open Phase Detection – The customer-generating equipment shall detect and cease to energize/trip all phases when experiencing a loss of voltage on any individual phase. The generating system shall cease to energize/trip within 2 seconds of the event. The generating system shall be designed and configured to eliminate the possibility of ferro-resonance events.
26. Inadvertent Energization – The customer-generating system shall not energize the Cooperative’s electric power system when the electric power system is de-energized.
27. An electric generating system used by an eligible customer-generator for net energy metering shall meet all applicable safety and performance standards incorporated by reference in COMAR 20.50.02.02.
28. Engineering requirements not listed in Appendix B may be implemented based on the unique aspects of each proposed generation system and the characteristics of the local utility system to



which it is connecting. The customer-generator is responsible for any requirements found to be necessary for the given interconnection.

29. As the utility system changes over time with the addition of new facilities, changes in load profiles, and other ways it is possible that protection and system requirements for generation facilities may also change. It is the responsibility of the customer-generator to implement these new requirements as required by the Cooperative.¹⁶
30. Cooperative System
 - a. Members shall use electric power in a manner that will not induce harmonic distortion or voltage flicker on the Cooperative's system. The Cooperative may require the member to install, at his own expense, equipment to correct harmonic distortion where the Total Harmonic Distortion (THD) exceeds five percent (5%) or voltage flicker exceeds limits established by ANSE/IEEE 141 or other applicable industry standards.
 - b. Customer-generation systems must not create power quality issues on the Cooperative system such as flicker, excessive harmonics, etc. All customer-generation must adhere to pertinent IEEE and applicable standards.
 - c. When a proposed small generator facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition may not create an imbalance between the two sides of the 240 volt service of more than 20 percent of the nameplate rating of the service transformer;
 - d. No connections shall be made to Cooperative secondary wire prior to the member's service panel without a new protective device in accordance with National Electric Code (NEC) and all applicable standards.
31. Generation installations shall comply with all applicable standards including, but not limited to:
 - a. IEEE 1547
 - b. UL 1741
 - c. NEC
 - d. NFPA 70 & 70E
 - e. IEEE C2 (NESC)
 - f. ANSI C84.1
 - g. IEEE 1453
 - h. IEEE 519
 - i. IEEE/ANSI CG2.92.2 & CG2.92.6

¹⁶ Similar to language in PHI DER Technical Interconnection Requirements document.



**Appendix C: Interconnection Request Application Form
and Conditional Agreement to Interconnect (Level 1)**

**Choptank Level 1
Interconnection Request Application Form and
Conditional Agreement to Interconnect
(Lab Certified Inverter-based Small Generator Facilities
Less than 20 kW)**

Interconnection Applicant Contact Information

Name _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Alternate Contact Information (if different from Applicant)

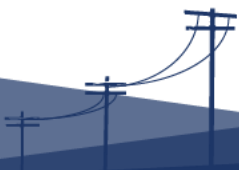
Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Equipment Contractor

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Electrical Contractor (if Different from Equipment Contractor):

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____
License number: _____



Active License? Yes ___ No ___

Facility Information

Facility Address (if different from above): _____

City: _____ State: _____ Zip Code: _____

Electric Distribution Company (EDC) serving Facility site: _____

Electric Supplier (if different from EDC): _____

Account Number of Facility site (existing EDC customers): _____

Generation/Energy Storage Information

Is small generator facility eligible for Net Metering? Yes No

Generation system includes energy storage? Yes No

Type of energy storage: DC Coupled AC Coupled

Generation Inverter Manufacturer: _____ Model _____

Energy Storage Manufacturer: _____ Model: _____

Type of Application Initial Addition ¹⁷

Initial Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

Added Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

Total Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

Prime Mover: Photovoltaic Reciprocating Engine Fuel Cell
Turbine Other _____

Energy Source: Solar Wind Hydro Diesel Natural Gas
Fuel Oil Other _____

Is the inverter lab certified? Yes No

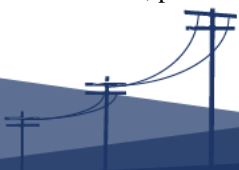
(If yes, attach manufacturer’s cut sheet showing listing and label information from the appropriate listing authority, e.g. UL 1741 listing. If no, facility is not eligible for Level 1 Application.)

Estimated Commissioning Date: _____

Insurance Disclosure

The attached terms and conditions contain provisions related to liability and indemnification,

¹⁷ If this application is for an initial system please fill out both the Initial and Total Nameplate rating data, but if it is for an addition, please fill out the Initial, Added and Total Nameplate rating data.



and should be carefully considered by the interconnection customer. The interconnection customer is not required to obtain general liability insurance coverage as a precondition for interconnection approval; however, the interconnection customer is advised to consider obtaining appropriate insurance coverage to cover the interconnection customer's potential liability under this agreement.

Customer Signature

I hereby certify that: 1) I have read and understand the terms and conditions which are attached hereto by reference and are a part of this Agreement; 2) I hereby agree to comply with the attached terms and conditions; and 3) to the best of my knowledge, all of the information provided in this application request form is complete and true. I consent to permit the PSC and interconnecting utility to exchange information regarding the generating system to which this application applies.

Interconnection Customer Signature: _____

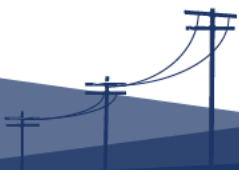
Title: _____ Date: _____

.....
Conditional Agreement to Interconnect Small Generator Facility

Receipt of the application fee is acknowledged and, by its signature below, the EDC has determined the interconnection request is complete. Interconnection of the small generator facility is conditionally approved contingent upon the attached terms and conditions of this Agreement the return of the attached Certificate of Completion duly executed, verification of electrical inspection and successful witness test or EDC waiver thereof.

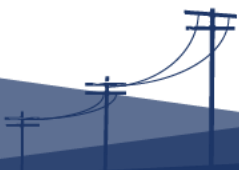
EDC Signature: _____ Date: _____

Printed Name: _____ Title: _____

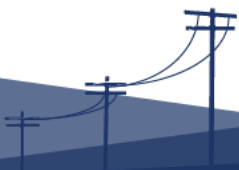


Terms and Conditions for Interconnection

1. **Construction of the Small Generator Facility.** The Interconnection Customer may proceed to construct (including operational testing not to exceed 2 hours) the Small Generator Facility once the Conditional Agreement to Interconnect a Small Generator Facility on the preceding page has been signed by the EDC.
2. **Final Interconnection and Operation.** The Interconnection Customer may operate the Small Generator Facility and interconnect with the EDC's Electric Distribution System after all of the following have occurred:
 - a. **Electrical Inspection:** Upon completing construction, the Interconnection Customer will cause the Small Generator Facility to be inspected by the local electrical wiring inspector with jurisdiction who shall establish that the Small Generator Facility meets the requirements of the National Electrical Code.
 - b. **Certificate of Completion:** The Interconnection Customer shall provide the EDC with a completed copy of the Interconnection Agreement Certificate of Completion, including evidence of the electrical inspection performed by the local authority having jurisdiction. The evidence of completion of the electrical inspection may be provided on inspection forms used by local inspecting authorities. The Interconnection request shall not be finally approved until the EDC's representative signs the Interconnection Agreement Certificate of Completion.
 - c. EDC has either waived the right to a Witness Test in the Interconnection Request, or completed its Witness Test as per the following:
 - i. Within five (5) business days of the estimated commissioning date, the EDC may, upon reasonable notice and at a mutually convenient time, conduct a Witness Test of the Small Generator Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes;
 - ii. If the EDC does not perform the Witness Test within the 5-day period or such other time as is mutually agreed to by the parties, the Witness Test is deemed waived.
3. **IEEE 1547.** The Small Generator Facility is installed operated and tested in accordance with the requirements of IEEE standard 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.
4. **Voltage Rise.** Voltage rise may be experienced due to reverse power flow through the electric system. Should voltage become excessive for the Interconnection Customer or neighbors, the Interconnection Customer at his expense, shall take corrective action to lower voltage within standards, including ceasing to generate power, until correction is made.
5. **Access.** The EDC shall have direct, unabated access to the disconnect switch and metering equipment of the Small Generator Facility at all times. The EDC shall provide reasonable notice to the customer when possible prior to using its right of access.
6. **Metering.** Any required metering shall be installed pursuant to appropriate tariffs and tested by the EDC pursuant to the EDC's meter testing requirements pursuant to the Code of Maryland Regulations (COMAR)
7. **Disconnection.** The EDC may temporarily disconnect the Small Generator Facility upon the following conditions:
 - a. For scheduled outages upon reasonable notice;
 - b. For unscheduled outages or emergency conditions;
 - c. If the Small Generator Facility does not operate in the manner consistent with this Agreement;
 - d. Improper installation or failure to pass the Witness Test;



- e. If the Small Generator Facility is creating a safety, reliability or a power quality problem;
or
 - f. The Interconnection Equipment used by the Small Generator Facility is de-listed by the Nationally Recognized Testing Laboratory that provided the listing at the time the interconnection was approved.
8. **Indemnification.** The parties shall at all times indemnify, defend, and save the other party harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other party's performance or failure to perform under this Agreement on behalf of the indemnifying party, except in cases of gross negligence or intentional wrongdoing by the indemnified party.
9. **Limitation of Liability.** Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever.
10. **Termination.** This Agreement may be terminated under the following conditions:
- a. By Interconnection Customer - The Interconnection Customer may terminate this application agreement by providing written notice to the EDC.
 - b. By the EDC - The EDC may terminate this Agreement if the Interconnection Customer fails to remedy a violation of terms of this Agreement within 30 calendar days after notice, or such other date as may be mutually agreed to prior to the expiration of the 30 calendar day remedy period. The termination date can be no less than 30 calendar days after the Interconnection Customer receives notice of its violation from the EDC.
11. **Modification of Small Generator Facility.** The Interconnection Customer must receive written authorization from the EDC before making any changes to the Small Generator Facility, other than minor changes that do not have a significant impact on safety or reliability of the Electric Distribution System as determined by the EDC. If the Interconnection Customer makes such modifications without the EDC's prior written authorization, the EDC shall have the right to temporarily disconnect the Small Generator Facility.
12. **Permanent Disconnection.** In the event the Agreement is terminated, the EDC shall have the right to disconnect its facilities or direct the customer to disconnect its Small Generator Facility.
13. **Disputes.** Each party agrees to attempt to resolve all disputes regarding the provisions of these interconnection procedures pursuant to the dispute resolution provisions of the Maryland Standard Small Generator Interconnection Rules.
14. **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 Maryland. Nothing in this Agreement is intended to affect any other agreement between the EDC and the Interconnection Customer. However, in the event that the provisions of this agreement are in conflict with the provisions of the EDC's tariff, the EDC tariff shall control.
15. **Survival Rights.** This Agreement shall continue in effect after termination to the extent necessary to allow or require either party to fulfill rights or obligations that arose under the Agreement.



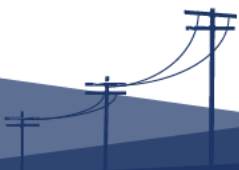
16. **Assignment/Transfer of Ownership of the Small Generator Facility.** This Agreement shall terminate upon the transfer of ownership of the Small Generator Facility to a new Eligible Customer Generator (owner or tenant), unless the new Eligible Customer Generator notifies the EDC of the change, their agreement to abide by the Terms and Conditions of the original Interconnection Agreement, and so notifies the EDC in writing prior to or coincident with the transfer of electric service to the new customer. Should an interconnection agreement terminate for failure of a new customer to provide appropriate written agreement within 30 days, the EDC shall notify the Public Service Commission the Interconnection Agreement has been terminated.
17. **Definitions.** Any capitalized term used herein and not defined shall have the same meaning as the defined terms used in the Maryland Standard Small Generator Interconnection Rule.
18. **Notice.** 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:

Use the contact information provided in the Agreement for the Interconnection Customer. The Interconnection Customer is responsible for notifying the EDC of any change in the contact party information, including change of ownership.

If to EDC:

Use the contact information provided on the EDC’s web page for small generator interconnection.



**Appendix C: Interconnection Request Application Form
and Conditional Agreement to Interconnect (Level 2, 3, and 4)**

**Choptank Level 2, Level 3 & Level 4
Interconnection Request Application Form
(Greater than 20 kW)**

Interconnection Customer Contact Information

Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

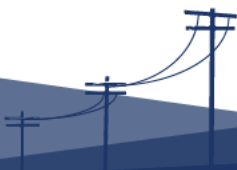
Alternative Contact Information (if different from Customer Contact Information)

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Facility Address (if different from above): _____
City: _____ State: _____ Zip Code: _____
Electric Distribution Company (EDC) serving Facility site: _____
Electric Supplier (if different from EDC): _____
Account Number of Facility site (existing EDC customers): _____
Inverter Manufacturer: _____ Model _____

Equipment Contractor

Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____



Electrical Contractor (if different from Equipment Contractor):

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____

Facsimile Number: _____ E-Mail Address: _____

License number: _____

Electric Service Information for Customer Facility Where Generator Will Be Interconnected

Capacity: _____ (Amps) Voltage: _____ (Volts)

Type of Service: Single Phase Three Phase

If 3 Phase Transformer, Indicate Type

Primary Winding Wye Delta

Secondary Winding Wye Delta

Transformer Size: _____ Impedance: _____

Intent of Interconnection (check all that apply)

Offset Load (Unit will operate in parallel, but will not export power to EDC)

Net Meter (Unit will operate in parallel and will export power pursuant to Maryland Net Metering or other filed tariff(s))

Energy Storage (may be stand alone or coupled with other generation for various energy/capacity transactions)

Wholesale Market Transaction (Unit will operate in parallel and participate in PJM market(s) pursuant to a PJM Wholesale Market Participation Agreement)

PURPA Qualifying Facility (QF) for sale of energy to EDC or other entity

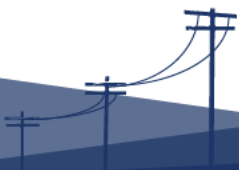
Back-up Generation (Units that temporarily parallel for more than 100 milliseconds)
Note: Backup units that do not operate in parallel for more than 100 milliseconds do not need an interconnection agreement.

Other purpose not identified above.

Generation system includes energy storage: Yes No

Type: AC Coupled DC Coupled

Energy storage will be utilized for emergency backup power: Yes No



Generator, Prime Mover & Energy Storage Data

Type of Application Initial Addition ¹⁸

Initial Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

Added Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

Total Rating: DC System Design Capacity: _____ (kW) _____ (kVA), Inverter Capacity
_____ (maximum AC kW), AC System Design Capacity: _____ (kW) _____ (kVA)

For Energy Storage, Amount of Stored Electrical Energy Available for Export: _____(kWh)

Generator Information

Generator Type:

Energy Source:

Energy Converter Type:

Individual Generator Unit Size (kW):

Number of Generator Units:

Energy Storage Information

Individual Storage Unit Size (kW):

Number of Storage Units:

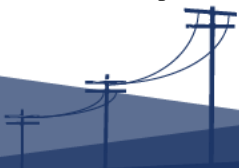
Requested Procedure Under Which to Evaluate Interconnection Request¹

Please indicate below which review procedure applies to the interconnection request.

- Level 2** - Certified interconnection equipment with an aggregate electric nameplate capacity less than or equal to 2 MW. Indicate type of certification below. (Application fee amount is \$50 plus \$1 per KW).
 - Lab certified - tested to IEEE 1547.1 and other specified standards by a nationally recognized testing laboratory and is appropriately labeled.
 - Field approved – identical interconnection has been approved by an EDC under a Level 4 study review process within the prior 36 months of the date of this interconnection request.

- Level 3** – Small generator facility does not export power. Nameplate capacity rating is equal to less than 50KW if connecting to area network or equal to or less than 10 MW if

¹⁸ If this application is for an initial system please fill out both the Initial and Total Nameplate rating data, but if it is for an addition, please fill out the Initial, Added and Total Nameplate rating data.



connecting to a radial distribution feeder. (Application fee amount is \$100 plus \$2 per KW).

- Level 4** – Nameplate capacity rating is less than or equal to 10 MW and the small generator facility does not qualify for a Level 1, Level 2 or Level 3 review or, the small generator facility has been reviewed but not approved under a Level 1, Level 2 or Level 3 review. (Application fee amount is \$100 plus \$2 per KW, to be applied toward any subsequent studies related to this application).

Field Approved Equipment

If the field approved equipment box is checked above, please provide the estimated completion date in the section that follows, then sign the application and return it with the following information that is required for review of Level 2 field approved small generator facilities:

- A copy of the certificate of completion for the previously approved small generator facility,
- A written statement indicating that the interconnection equipment being proposed is identical, except for minor equipment modification, to the one previously approved.

You do not have to complete the rest of the application if field approved equipment is being proposed.

Small Generator Facility Information

Estimated Commissioning Date: _____

List interconnection components/system(s) to be used in the Small Generation Facility that are lab certified (required for Level 2 Interconnection requests only).

Component/System	NRTL Providing Label & Listing
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Please provide copies of manufacturer brochures or technical specifications

Energy Production Equipment/Inverter Information:

Synchronous Induction Inverter Other _____

Rating: _____ kW Rating: _____ kVA

Rated Voltage: _____ Volts

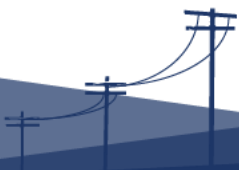
Rated Current: _____ Amps

System Type Tested (Total System): Yes No; attach product literature

For Synchronous Machines:

Note: Contact EDC to determine if all the information requested in this section is required for the proposed small generator facility.

Manufacturer: _____



Model No. _____ Version No. _____

Submit copies of the Saturation Curve and the Vee Curve

Salient Non-Salient

Torque: _____ lb-ft Rated RPM: _____ Field Amperes: _____ at rated generator voltage and current and _____% PF over-excited

Type of Exciter: _____

Output Power of Exciter: _____

Type of Voltage Regulator: _____

Locked Rotor Current: _____ Amps Synchronous Speed: _____ RPM

Winding Connection: _____ Min. Operating Freq./Time: _____

Generator Connection: Delta Wye Wye Grounded

Direct-axis Synchronous Reactance: (Xd) _____ ohms

Direct-axis Transient Reactance: (X'd) _____ ohms

Direct-axis Sub-transient Reactance: (X''d) _____ ohms

Negative Sequence Reactance: _____ ohms

Zere Sequence Reactance: _____ ohms

Neutral Impedance or Grounding Resister (if any): _____ ohms

For Induction Machines:

Note: Contact EDC to determine if all the information requested in this section is required for the proposed small generator facility.

Manufacturer: _____

Model No. _____ Version No. _____

Locked Rotor Current: _____ Amps

Rotor Resistance (Rr) _____ ohms Exciting Current _____ Amps

Rotor Reactance (Xr) _____ ohms Reactive Power Required: _____

Magnetizing Reactance (Xm) _____ ohms _____ VARs (No Load)

Stator Resistance (Rs) _____ ohms _____ VARs (Full Load)

Stator Reactance (Xs) _____ ohms

Short Circuit Reactance (X''d) _____ ohms

Phases: Single Three-Phase

Frame Size: _____ Design Letter: _____ Temp. Rise: _____ °C.

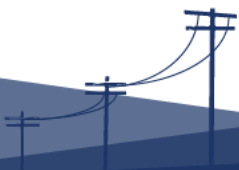
Reverse Power Relay Information (Level 3 Review Only)

Manufacturer: _____

Relay Type: _____ Model Number: _____

Reverse Power Setting: _____

Reverse Power Time Delay (if any): _____



Additional Information For Inverter Based Facilities

Inverter Information:

Manufacturer: _____ Model: _____

Type: Forced Commutated Line Commutated

Rated Output _____ Watts _____ Volts

Efficiency _____% Power Factor _____%

Inverter UL1547 Listed: : Yes No

DC Source / Prime Mover:

Rating: _____ kW Rating: _____ kVA

Rated Voltage: _____ Volts

Open Circuit Voltage (If applicable): _____ Volts

Rated Current: _____ Amps

Short Circuit Current (If applicable): _____ Amps

Other Facility Information:

AC Isolation Device Manufacturer:

AC Isolation Device Model:

One Line Diagram attached: Yes No

Plot Plan attached: Yes No

For Energy Storage Facilities:

Storage Equipment Information

Manufacturer:

Model:

Version:

If Other Type:

Storage Equipment Capacity:

Efficiency:

Continuous AC Capacity:

Storage Equipment Inverter

Manufacturer:

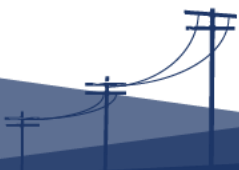
Model:

Version:

Continuous AC Capacity:

Rated Output Voltage:

Efficiency:



Customer Signature

I hereby certify that all of the information provided in this application request form is true. I consent to permit the PSC and interconnecting utility to exchange information regarding the generating system to which this application applies.

Interconnection Customer Signature: _____

Title: _____ Date: _____

An application fee is required before the application can be processed. Please verify that the appropriate fee is included with the application:

Application fee included

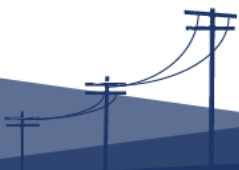
Amount _____

EDC Acknowledgement

Receipt of the application fee is acknowledged and the interconnection request is complete.

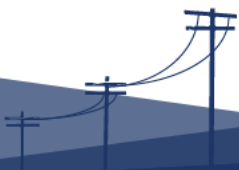
EDC Signature: _____ Date: ____

Printed Name: _____ Title: _____

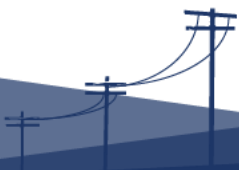


Terms and Conditions for Choptank Interconnection

1. **Construction of the Small Generator Facility.** The Interconnection Customer may proceed to construct (including operational testing not to exceed 2 hours) the Small Generator Facility once the Conditional Agreement to Interconnect a Small Generator Facility on the preceding page has been signed by the EDC.
2. **Final Interconnection and Operation.** The Interconnection Customer may operate the Small Generator Facility and interconnect with the EDC's Electric Distribution System after all of the following have occurred:
 - a. **Electrical Inspection:** Upon completing construction, the Interconnection Customer will cause the Small Generator Facility to be inspected by the local electrical wiring inspector with jurisdiction who shall establish that the Small Generator Facility meets the requirements of the National Electrical Code.
 - b. **Certificate of Completion:** The Interconnection Customer shall provide the EDC with a completed copy of the Interconnection Agreement Certificate of Completion, including evidence of the electrical inspection performed by the local authority having jurisdiction. The evidence of completion of the electrical inspection may be provided on inspection forms used by local inspecting authorities. The Interconnection request shall not be finally approved until the EDC's representative signs the Interconnection Agreement Certificate of Completion.
 - c. EDC has either waived the right to a Witness Test in the Interconnection Request, or completed its Witness Test as per the following:
 - i. Within five (5) business days of the estimated commissioning date, the EDC may, upon reasonable notice and at a mutually convenient time, conduct a Witness Test of the Small Generator Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes;
 - ii. If the EDC does not perform the Witness Test within the 5-day period or such other time as is mutually agreed to by the parties, the Witness Test is deemed waived.
3. **IEEE 1547.** The Small Generator Facility is installed operated and tested in accordance with the requirements of IEEE standard 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the interconnection request is submitted.
4. **Voltage Rise.** Voltage rise may be experienced due to reverse power flow through the electric system. Should voltage become excessive for the Interconnection Customer or neighbors, the Interconnection Customer at his expense, shall take corrective action to lower voltage within standards, including ceasing to generate power, until correction is made.
5. **Access.** The EDC shall have direct, unabated access to the disconnect switch and metering equipment of the Small Generator Facility at all times. The EDC shall provide reasonable notice to the customer when possible prior to using its right of access.
6. **Metering.** Any required metering shall be installed pursuant to appropriate tariffs and tested by the EDC pursuant to the EDC's meter testing requirements pursuant to the Code of Maryland Regulations (COMAR)
7. **Disconnection.** The EDC may temporarily disconnect the Small Generator Facility upon the following conditions:
 - a. For scheduled outages upon reasonable notice;
 - b. For unscheduled outages or emergency conditions;
 - c. If the Small Generator Facility does not operate in the manner consistent with this Agreement;



- d. Improper installation or failure to pass the Witness Test;
 - e. If the Small Generator Facility is creating a safety, reliability or a power quality problem;
or
 - f. The Interconnection Equipment used by the Small Generator Facility is de-listed by the Nationally Recognized Testing Laboratory that provided the listing at the time the interconnection was approved.
8. **Indemnification.** The parties shall at all times indemnify, defend, and save the other party harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other party's performance or failure to perform under this Agreement on behalf of the indemnifying party, except in cases of gross negligence or intentional wrongdoing by the indemnified party.
9. **Limitation of Liability.** Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever.
10. **Termination.** This Agreement may be terminated under the following conditions:
- a. By Interconnection Customer - The Interconnection Customer may terminate this application agreement by providing written notice to the EDC.
 - b. By the EDC - The EDC may terminate this Agreement if the Interconnection Customer fails to remedy a violation of terms of this Agreement within 30 calendar days after notice, or such other date as may be mutually agreed to prior to the expiration of the 30 calendar day remedy period. The termination date can be no less than 30 calendar days after the Interconnection Customer receives notice of its violation from the EDC.
11. **Modification of Small Generator Facility.** The Interconnection Customer must receive written authorization from the EDC before making any changes to the Small Generator Facility, other than minor changes that do not have a significant impact on safety or reliability of the Electric Distribution System as determined by the EDC. If the Interconnection Customer makes such modifications without the EDC's prior written authorization, the EDC shall have the right to temporarily disconnect the Small Generator Facility.
12. **Permanent Disconnection.** In the event the Agreement is terminated, the EDC shall have the right to disconnect its facilities or direct the customer to disconnect its Small Generator Facility.
13. **Disputes.** Each party agrees to attempt to resolve all disputes regarding the provisions of these interconnection procedures pursuant to the dispute resolution provisions of the Maryland Standard Small Generator Interconnection Rules.
14. **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 Maryland. Nothing in this Agreement is intended to affect any other agreement between the EDC and the Interconnection Customer. However, in the event that the provisions of this agreement are in conflict with the provisions of the EDC's tariff, the EDC tariff shall control.
15. **Survival Rights.** This Agreement shall continue in effect after termination to the extent necessary to allow or require either party to fulfill rights or obligations that arose under the Agreement.



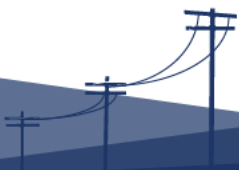
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17. **Definitions.** Any capitalized term used herein and not defined shall have the same meaning as the defined terms used in the Maryland Standard Small Generator Interconnection Rule.
18. **Notice.** Unless otherwise provided in this Agreement, 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:

Use the contact information provided in the Agreement for the Interconnection Customer. The Interconnection Customer is responsible for notifying the EDC of any change in the contact party information, including change of ownership.

If to EDC:

Use the contact information provided on the EDC’s web page for small generator interconnection.



Appendix D: Interconnection Agreement

L/P:

AGREEMENT FOR INTERCONNECTION OF SMALL GENERATOR OR ENERGY STORAGE FACILITIES TO CHOPTANK'S SYSTEM

This Agreement is made and entered into this ___ day of _____, by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer,”) and Choptank Electric Cooperative, Inc, a Corporation, existing under the laws of the State of Maryland, (“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 Small Generator or Energy Storage Facility, or is proposing a generating or energy storage capacity addition to an existing Small Generator or Energy Storage Facility, consistent with the Interconnection Request completed by Interconnection Customer on _____; and

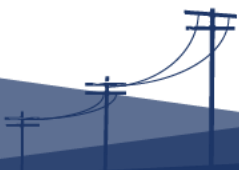
Whereas, the Interconnection Customer will operate and maintain, or cause the operation and maintenance of the Small Generator or Energy Storage Facility; and

Whereas, the Interconnection Customer desires to interconnect the Small Generator or Energy Storage 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 Level 2, Level 3, and Level 4 Interconnection Requests according to the procedures set forth in the Maryland Small Generator Facility Interconnection Standards (COMAR 20.50.09).
- 1.2** This Agreement governs the terms and conditions under which the Small Generator or Energy Storage 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. However, in the event that the provisions of this Agreement are in conflict with the provisions of the EDC's tariff, the EDC tariff shall control.



1.5 Responsibilities of the Parties

- 1.5.1** The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations.
- 1.5.2** The EDC shall construct, own, operate, and maintain its Interconnection Facilities in accordance with this Agreement, IEEE Standard 1547, the National Electrical Safety Code and applicable standards promulgated by the Maryland Public Service Commission.
- 1.5.3** The Interconnection Customer shall construct, own, operate, and maintain its Small Generator or Energy Storage Facility in accordance with this Agreement, IEEE Standard 1547, the National Electrical Safety Code, the National Electrical Code and applicable standards promulgated by the Maryland Public Service Commission.
- 1.5.4** 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.
- 1.5.5** The Interconnection Customer agrees to design, install, maintain and operate its Small Generator or Energy Storage Facility so as to minimize the likelihood of causing an Adverse System Impact on an electric system that is not owned or operated by the EDC.

1.6 Parallel Operation Obligations

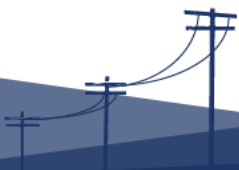
Once the Small Generator or Energy Storage Facility has been authorized to commence Parallel Operation, the Interconnection Customer shall abide by all written rules and procedures developed by the EDC which pertain to the Parallel Operation of the Small Generator or Energy Storage Facility, which are clearly specified in Attachment 4 of this Agreement.

1.7 Metering

The Interconnection Customer shall be responsible for the cost of the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 5 and 6 of this Agreement.

1.8 Reactive Power

The Interconnection Customer shall design its Small Generator or Energy Storage Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the power factor range required by the EDC's applicable tariff for a comparable load customer. EDC may also require the Interconnection Customer to follow a voltage or VAR schedule if such schedules are applicable to similarly situated generators in the control area on a comparable basis and have been approved by the Commission. The specific requirements for meeting a voltage or VAR schedule shall be clearly specified in Attachment 4. Under no circumstance shall these additional requirements for reactive power or voltage support exceed the normal operating capabilities of the Small Generator or Energy Storage Facility.



1.9 Capitalized Terms

Capitalized terms used herein shall have the meanings specified in the Definitions in Attachment 1 or the body of this Agreement.

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

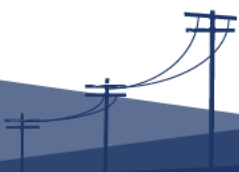
2.1 Equipment Testing and Inspection

The Interconnection Customer shall test and inspect its Small Generator or Energy Storage Facility including the Interconnection Equipment prior to interconnection in accordance with IEEE Standard 1547 and IEEE Standard 1547.1. The Interconnection Customer shall not operate its Small Generator or Energy Storage 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 have the option of performing a Witness Test after construction of the Small Generator or Energy Storage Facility is completed. The Interconnection Customer shall provide the EDC at least 20 days notice of the planned Commissioning Test for the Small Generator or Energy Storage facility. If the EDC elects to perform a Witness Test, it shall contact the Interconnection Customer to schedule the Witness Test at a mutually agreeable time within 5 business days of the scheduled commissioning test. If the EDC does not perform the Witness Test within 5 business days of the commissioning test, the Witness Test is deemed waived unless the parties mutually agree to extend the date for scheduling the Witness Test. If the Witness Test is not acceptable to the EDC, the Interconnection Customer will be granted a period of 30 calendar days to address and resolve any deficiencies. The time period for addressing and resolving any deficiencies may be extended upon the mutual agreement of 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. If a Witness Test is not performed by the EDC or an entity approved by the EDC, the Interconnection Customer must still satisfy the interconnection test specifications and requirements set forth in IEEE Standard 1547 Section 5. 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 To the extent that the Interconnection Customer decides to conduct interim testing of the Small Generator or Energy Storage Facility prior to the Witness Test, it may request that the EDC observe these tests and that these tests be deleted from the final Witness Test. The EDC may, at its own expense, send qualified personnel to the Small Generator or Energy Storage Facility to observe such interim testing. Nothing in this Section 2.1.2 shall require the EDC to observe such interim testing or preclude the EDC from performing these tests at the final Witness Test. Regardless of whether the EDC observes the interim testing, the Interconnection Customer shall obtain permission in advance of each occurrence of operating the Small Generator or Energy Storage Facility in parallel with the EDC's system.

2.1.3 Upon successful completion of 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 unreasonably withheld, conditioned, or delayed.



2.2 Commercial Operation

The interconnection customer shall not operate the Small Generator or Energy Storage 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 shall have access to the disconnect switch and metering equipment of the Small Generator or Energy Storage Facility at all times. The EDC shall provide reasonable notice to the customer when possible 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 the Parties.

3.2 Term of Agreement

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

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the EDC 30 calendar days prior written notice.

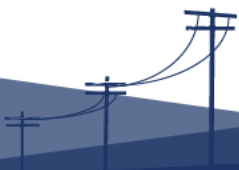
3.3.2 Either Party may terminate this Agreement after default pursuant to Article 6.5.

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 Small Generator or Energy Storage Facility within 12 months of the in-service date as specified by the Parties in Attachment 2, which may be extended by mutual agreement of the Parties which shall not be unreasonably withheld.

3.3.4 The EDC may terminate this Agreement upon 60 calendar days' prior written notice if the Interconnection Customer fails to operate the Small Generator or Energy Storage Facility in parallel with EDC's electric system for three consecutive years.

3.3.5 Upon termination of this Agreement, the Small Generator or Energy Storage Facility will be disconnected from the EDC's Electric Distribution System. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

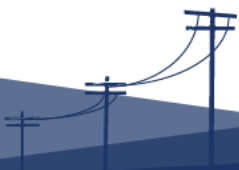
3.3.6 The provisions of this Article shall survive termination or expiration of this Agreement.



3.4 Temporary Disconnection

A Party may temporarily disconnect the Small Generator or Energy Storage Facility from the Electric Distribution System in the event of an Emergency Condition for so long as the Party determines it is reasonably necessary 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 reasonably likely to endanger life or property; or (2) that, in the case of the EDC, is reasonably likely to cause an Adverse System Impact; or (3) that, in the case of the Interconnection Customer, is reasonably likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generator or Energy Storage Facility or the Interconnection Equipment. Under Emergency Conditions, the EDC or the Interconnection Customer may immediately suspend interconnection service and temporarily disconnect the Small Generator or Energy Storage Facility. The EDC shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Small Generator or Energy Storage Facility. The Interconnection Customer shall notify the EDC promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the EDC's Electric Distribution System. To the extent information is known, the notification shall describe the Emergency 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 Small Generator or Energy Storage Facility and temporarily disconnect the Small Generator or Energy Storage Facility from the EDC's Electric Distribution System when necessary for scheduled maintenance, construction, or repairs on EDC's Electric Distribution System. The EDC shall provide the Interconnection Customer with five business days notice prior to such interruption. The EDC shall use reasonable efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.
- 3.4.3** Forced Outages - During any forced outage, the EDC may suspend interconnection service to effect immediate repairs on the EDC's Electric Distribution System. The EDC shall use reasonable efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, 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 Operating Effects – the EDC shall provide the Interconnection Customer with a written notice of its intention to disconnect the Small Generator or Energy Storage Facility if, based on the operating procedures specified in Attachment 4, the EDC determines that operation of the Small Generator or Energy Storage Facility will likely cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Small Generator or Energy Storage Facility could cause damage to the EDC's Electric Distribution System. Supporting documentation used to reach the decision to disconnect shall



be provided to the Interconnection Customer upon written request. The EDC may disconnect the Small Generator or Energy Storage Facility if, after receipt of the notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time unless Emergency Conditions exist in which case the provisions of 3.4.1 apply.

3.4.5 Modification of the Small Generator or Energy Storage Facility - The Interconnection Customer must receive written authorization from the EDC prior to making any change to the Small Generator or Energy Storage Facility, other than a Minor Equipment Modification, that could cause an Adverse System Impact. If the Interconnection Customer makes such modification without the EDC's prior written authorization, the EDC shall have the right to temporarily disconnect the Small Generator or Energy Storage Facility until such time as the EDC reasonably concludes the modification poses no threat to the safety or reliability of its Electric Distribution System.

3.4.6 Reconnection - The Parties shall cooperate with each other to restore the Small Generator or Energy Storage Facility, Interconnection Facilities, and EDC's Electric Distribution System to their normal operating state as soon as reasonably practicable following any disconnection pursuant to this section; provided, however, if such disconnection is done pursuant to Section 3.4.5 due to the Interconnection Customer's failure to obtain prior written authorization from the EDC for Minor Equipment Modifications, the EDC shall reconnect the Interconnection Customer only after determining the modifications do not impact the safety or reliability of its Electric Distribution System.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

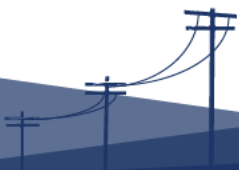
4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 3 of this Agreement if required under the additional review procedures of Level a 2 review or under a Level 4 review. If a Facilities Study was performed, the EDC shall identify the Interconnection Facilities necessary to safely interconnect the Small Generator or Energy Storage 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 shall be responsible for its expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its Interconnection Equipment, and (2) its reasonable share of operating, maintaining, repairing, and replacing any Interconnection Facilities owned by the EDC as set forth in Attachment 3 and Attachment 4.

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. The Interconnection Customer may be entitled to financial contribution from any other EDC customers who may in the future utilize the upgrades paid for by the Interconnection Customer. Such contributions shall be governed by the rules, regulations, and decisions of the Maryland Public Service Commission.



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 Appendix 3, on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

5.1.2 Within ninety (90) calendar days of completing the construction and installation of the EDC's Interconnection Facilities and Distribution Upgrades described in the 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 and the budget estimate provided to the Interconnection Customer and a written explanation for any significant variation; 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 (30) 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 (30) calendar days of the final accounting report.

5.1.3 If a Party in good faith 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. Provided such Party's dispute is in good faith, the disputing Party shall not be considered to be in default of its obligations pursuant to this Article.

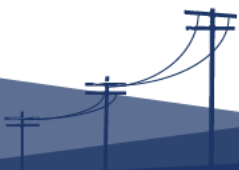
5.2 Interconnection Customer Deposit

At least twenty (20) business days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the EDC's Interconnection Facilities and Distribution Upgrades, the Interconnection Customer shall provide the EDC with a deposit equal to 50% of the estimated costs prior to its beginning design of such facilities, provided the total cost is in excess of \$1,000.

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

6.1 Assignment

This Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice, and with the opportunity to object by the other Party. Should the Interconnection Customer assign this agreement, the EDC has the right to request the assignee agree to the assignment and the terms of this Agreement in writing. When required, consent to assignment shall not be unreasonably withheld; provided that:



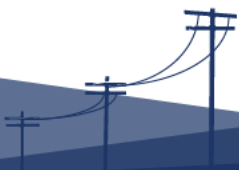
- 6.1.1** Either Party may assign this Agreement without the consent of the other Party to any affiliate (which shall include a merger of the Party with another entity), of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement;
- 6.1.2** The Interconnection Customer shall have the right to assign this Agreement, without the consent of the EDC, for collateral security purposes to aid in providing financing for the Small Generator or Energy Storage Facility. For Small Generator or Energy Storage systems that are integrated into a building facility, the sale of the building or property will result in an automatic transfer of this agreement to the new owner who shall be responsible for complying with the terms and conditions of this Agreement.
- 6.1.3** 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 Interconnection Customer.

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 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 Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
- 6.3.3** Promptly after receipt by an indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply,



the indemnified Party shall notify the indemnifying Party of such fact. Any failure of or 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

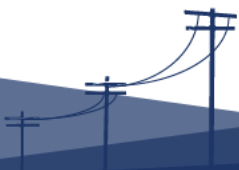
6.4.1 As used in this Article, a Force Majeure Event shall mean any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment through no direct, indirect, or contributory act of a 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.

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 promptly notify the other Party of the existence of the Force Majeure Event. The notification must specify in reasonable detail 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, and if the initial notification was verbal, it should be promptly followed up with a written notification. 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 shall be entitled to suspend or modify its performance of 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 reasonably mitigated. The Affected Party shall use reasonable efforts to resume its performance as soon as possible.

6.5 Default

6.5.1 No default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement, or the result of an act or omission of the other Party.

6.5.2 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 shall have 60 calendar days from receipt of the default notice



within which to cure such default; provided however, if such default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently 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 made an assignment of this Agreement not specifically authorized by Article 6.1, 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 shall have 30 days from receipt of the default notice within which 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 at any time until cure occurs, 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

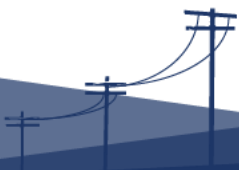
For Small Generator or Energy Storage Facilities with a Nameplate Capacity of 1 MW or above, the Interconnection Customer shall carry adequate insurance coverage that shall be acceptable to the EDC; provided, that the maximum comprehensive/general liability coverage that shall be continuously maintained 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.

Article 8. Dispute Resolution

8.1 A party shall attempt to resolve all disputes regarding interconnection as provided in this section promptly, equitably, and in a good faith manner.

8.2 When a dispute arises, a party may seek immediate resolution through complaint procedures available through the Maryland Public Service Commission, or an alternative dispute resolution process approved by the Maryland Public Service Commission, by providing written notice to the Maryland Public Service Commission and the other party stating the issues in dispute. Dispute resolution will be conducted in an informal, expeditious manner to reach resolution with minimal costs and delay. When available, dispute resolution may be conducted by phone.

8.3 When disputes relate to the technical application of this section, the Maryland Public Service Commission may designate a technical master to resolve the dispute. The Maryland Public Service Commission may designate a Department of Energy National Laboratory, PJM Interconnection L.L.C., or a college or university with distribution system engineering expertise as the technical master. When the Federal Energy Regulatory Commission identifies a National technical dispute resolution team, the



Maryland Public Service Commission may designate the team as its technical master. Upon designation by the Maryland Public Service Commission, the parties shall use the technical master to resolve disputes related to interconnection. Costs for a dispute resolution conducted by the technical master shall be established by the technical master, subject to review by the Maryland Public Service Commission.

- 8.4** Pursuit of dispute resolution may not affect an Interconnection Customer with regard to consideration of an Interconnection Request or an Interconnection Customer's queue position.
- 8.5** 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 Maryland, without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations.

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.

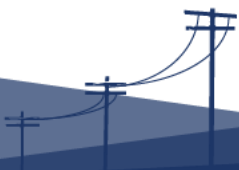
9.4 Waiver

9.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement shall not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

9.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from EDC. Any waiver of this Agreement shall, if requested, be provided in writing.

9.5 Entire Agreement

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

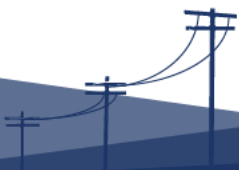
Each Party shall notify the other Party, first orally and then in writing, of the release any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Small Generator or Energy Storage Facility or the Interconnection Facilities, each of which 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 utilizing the services of any subcontractor as 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 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made. 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 will not 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: Choptank Electric Cooperative
Attention: Net metering
Address: P.O. Box 430 (U.S. Mail), 24820 Meeting House Rd. (courier delivery)
City: Denton State: Maryland Zip: 21629
Phone: 410-479-8500 Fax: 410-479-3941 E-mail: netmetering@choptankelectric.coop

10.2 Billing and Payment

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

If to Interconnection Customer:

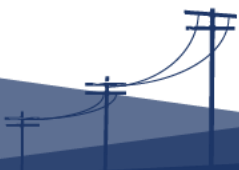
Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

If to EDC:

EDC: Choptank Electric Cooperative
Attention: Billing
Address: P.O. Box 430 (U.S. Mail), 24820 Meeting House Rd. (courier delivery)
City: Denton State: Maryland Zip: 21629

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: Net metering
Address: P.O. Box 430 (U.S. Mail), 24820 Meeting House Rd. (courier delivery)
City: Denton State: Maryland Zip: 21629
Phone: 410-479-8500 Fax: 410-479-3941

10.4 Changes to the Notice Information

Either Party may change this notice information by giving five business days written notice prior to 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.

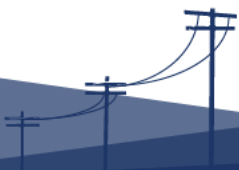
For the Interconnection Customer:

Name: _____
Title: _____
Date: _____

For EDC:

Name: _____
Title: _____
Date: _____

Application:
Inverter Capacity:
Facility Address



Attachment 1

Definitions

Adverse System Impact - A negative effect, due to technical or operational limits on conductors or equipment being exceeded, that compromises the safety or reliability of the Electric Distribution System.

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.

Commissioning Test – Tests applied to a Small Generator or Energy Storage 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”.

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 Small Generator or Energy Storage Facility. Distribution upgrades do not include Interconnection Facilities.
Electric Distribution Company or EDC - Any electric utility entity subject to the jurisdiction of the Maryland Public Service 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.

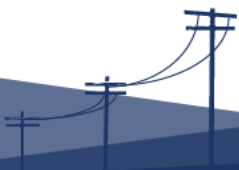
Facilities Study – An engineering study conducted by the EDC to determine the required modifications to the EDC’s Electric Distribution System, including the cost and the time required to build and install such modifications, as necessary to accommodate an Interconnection Request.

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) Standard 1547 (2003) "Standard for Interconnecting Distributed Resources with Electric Power Systems", as amended and supplemented, at the time the Interconnection Request is submitted.

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

Interconnection Agreement or Agreement – This agreement between the Interconnection Customer and the EDC, which governs the connection of the Small Generator or Energy Storage Facility to the EDC’s Electric Distribution System, as well as the ongoing operation of the Small Generator or Energy Storage Facility after it is connected to the EDC’s Electric Distribution System.



Interconnection Customer – The entity proposing to interconnect a Small Generator or Energy Storage Facility to the EDC’s Electric Distribution System.

Interconnection Equipment – A group of components or integrated system connecting an electric generator or energy storage device 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, energy storage or other electric source.

Interconnection Facilities – Facilities and equipment required by the EDC to accommodate the interconnection of a Small Generator or Energy Storage Facility. Collectively, Interconnection Facilities include all facilities, and equipment between the Small Generator or Energy Storage Facility and the Point of Interconnection, including modification, additions, or upgrades that are necessary to physically and electrically interconnect the Small Generator or Energy Storage Facility to the Electric Distribution System. Interconnection Facilities are sole use facilities and do not include Distribution Upgrades.

Interconnection Request – An Interconnection Customer's submission, requesting the interconnection of a new Small Generator or Energy Storage Facility, or to increase the capacity or operating characteristics of an existing Small Generator or Energy Storage Facility that is interconnected with the EDC's Electric Distribution System.

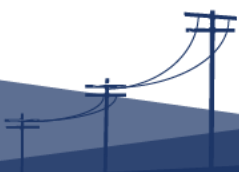
Small Generator Facility Interconnection Standards – The most current version of the procedures for interconnecting Small Generator or Energy Storage Facilities adopted by the Maryland Public Service Commission (COMAR 20.50.09)

Parallel Operation or Parallel - The state of operation which occurs when a Small Generator or Energy Storage Facility is connected electrically to the Electric Distribution System and the potential exists for electricity to flow from the Small Generator or Energy Storage Facility to the Electric Distribution System.

Point of Interconnection - The point where the Small Generator or Energy Storage 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.

Small Generator or Energy Storage Facility - The equipment used by an Interconnection Customer to generate and/or store electricity, that operates in parallel with the Electric Distribution System. A Small Generator or Energy Storage Facility typically includes an electric generator, prime mover, energy storage means, e.g. batteries, flywheel, compressed gas, fluid with vertical head, and the Interconnection Equipment required to safely interconnect with the Electric Distribution System or a local electric power system.

Witness Test- For lab certified or field approved 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 or field approved, the witness test shall also include the 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.

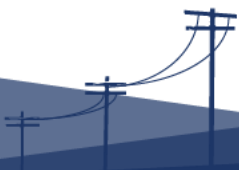


Attachment 2

Construction Schedule, Proposed Equipment & Settings

This attachment shall include the following:

1. The construction schedule for the Small Generator or Energy Storage Facility
2. A one-line diagram indicating the Small Generator or Energy Storage 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. This agreement shall become null and void after six (6) months following signature by both Parties unless amended by an updated construction schedule.

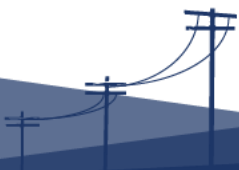


Attachment 3

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

EDC's Interconnection Facilities including any required metering shall be itemized and a best estimate of itemized costs, including overheads, shall be provided based on the Facilities Study.

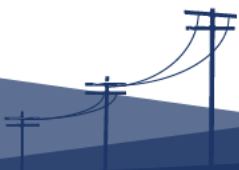
Also, a best estimate for the time required to build and install EDC's Interconnection Facilities will be provided based on the Facilities Study.



Attachment 4

Operating Requirements for Small Generator or Energy Storage Facilities Operating in Parallel

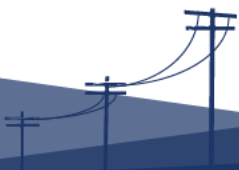
Applicable sections of EDC's operating manuals applying to the small generator or energy storage interconnection shall be listed and Internet links shall be provided. Any special operating requirements not contained in EDC's existing operating manuals shall be clearly identified.



Attachment 5

Monitoring and Control Requirements

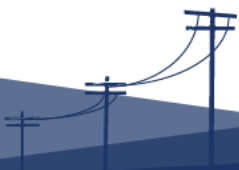
EDC monitoring and control requirements shall be clearly specified and a reference shall be provided to the EDC's written requirements documents from which these documents are derived along with an internet link to the requirements documents.



Attachment 6

Metering Requirements

Metering requirements for the Small Generator or Energy Storage Facility shall be clearly indicated along with an identification of the appropriate tariffs that establish these requirements and an internet link to these tariffs.

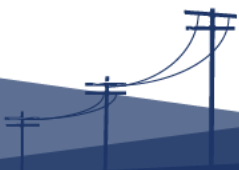


Attachment 7

As Built Documents

After completion of the Small Generator or Energy Storage Facility, the Interconnection Customer shall provide the EDC with documentation indicating the as built status of the following when it returns the Certificate of Completion to the EDC:

1. A one-line diagram indicating the Small Generator or Energy Storage Facility, Interconnection Equipment, Interconnection Facilities, Metering Equipment, and Distribution Upgrades
2. Component specifications for equipment identified in the one-line diagram
3. Component settings
4. Proposed sequence of operations



Appendix E: Certificate of Completion

(To be completed and returned to the EDC with the Application for Interconnection¹⁹ and the Interconnection Agreement signed by the customer²⁰)

Interconnection Customer Information

Name: _____
Facility Address: _____
City: _____ State: _____ Zip Code: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Installer

Check if owner-installed

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): _____ (Evening): _____
Facsimile Number: _____ E-Mail Address: _____

Final Electric Inspection and Interconnection Customer Signature

The Small Generator Facility is complete and has been approved by the local electric inspector having jurisdiction. A signed copy of the electric inspector’s form indicating final approval is attached or will be provided when available. The Interconnection Customer acknowledges that it shall not operate the Small Generator Facility until receipt of the final acceptance and approval by the EDC as provided below.

Signed _____ Date _____
(Signature of interconnection customer)

Printed Name:

_____ Type of Application New/Initial Growth/Increase System Capacity _____ KW (DC)

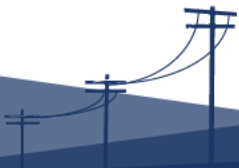
Check if copy of signed electric inspection form is attached

Check if copy of as built documents is attached (projects larger than 10 kW only)

.....

¹⁹ Prior to interconnected operation, the interconnection customer is required to complete this form and return it to the EDC. Use contact information provided on the EDC’s web page for small generator interconnection to obtain mailing address/fax number/e-mail address

²⁰ A separate signed Interconnection Agreement is only required for Level 2-4 applications.



Acceptance and Final Approval for Interconnection (for EDC use only)

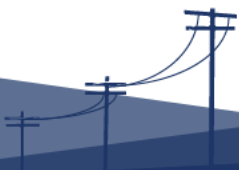
The interconnection agreement is approved and the Small Generator Facility is approved for interconnected operation upon the signing and return of this Certificate of Completion by EDC:

Electric Distribution Company waives Witness Test? (*Initial*) Yes (_____) No (_____)

If not waived, date of successful Witness Test: _____ Passed: (*Initial*) (_____)

EDC Signature: _____ Date: _____

Printed Name: _____ Title: _____



Appendix F: Aggregated Net Energy Metering Self-Certification Form

To qualify for meter aggregation, a member must use the electric service for agriculture, or be a non-profit organization, municipal/county/state government, or public senior higher education institution. To aid the Cooperative in verifying that aggregation is appropriate, the Cooperative is requiring members seeking to aggregate their meters to complete this self-certification form *for each meter* in the “waterfall.” No member will be eligible to participate in aggregated net energy metering until this form is signed, dated, and the original is received by the Cooperative.

Member Information

Name: _____
Account number: _____
Meter number: _____
Billing address: _____
Phone number: _____

Service Location

Physical address of service location: _____

Category (check one):

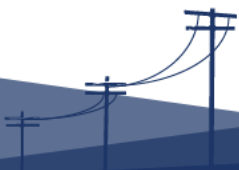
- Agriculture Non-profit Municipal/County/State Government
 Public Senior Higher Education Institution

If Agriculture is selected, describe the manner in which the electric service is used for agriculture:

If Agriculture is selected, I hereby certify that the property listed above meets the guidelines established in the Cooperative’s Board Policy No. 590: Net Energy Metering. If at any time the property listed above is no longer used for agriculture, I will notify the Cooperative within 15 days, and I understand that the property will no longer be eligible for aggregation. The Cooperative reserves the right to verify the agricultural status of the service location.

If the Cooperative determines that the property is not eligible for aggregation, the Cooperative will contact the member, and the member will have 15 days to dispute the determination. At that time, the member may be required to complete a new Self-Certification Form. If the member does not respond within 15 days, the account will automatically be removed from aggregation.

Signature: _____
Print name: _____
Date: _____



Appendix G: Aggregated Net Energy Metering Account List²¹

Aggregated Accounts

Host Account

Account #: _____
Mailing Address: _____
Physical Address: _____

Secondary Account(s)

Account #: _____
Mailing Address: _____
Physical Address: _____

Account #: _____
Mailing Address: _____
Physical Address: _____

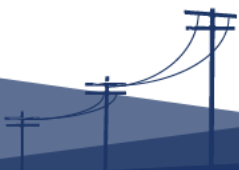
Account #: _____
Mailing Address: _____
Physical Address: _____

Account #: _____
Mailing Address: _____
Physical Address: _____

Account #: _____
Mailing Address: _____
Physical Address: _____

Member Signature: _____ Date: _____
Printed Name: _____ Phone: _____
Email Address: _____ Title: _____

²¹ PUA 7-306g



Appendix H: Change Notice (Level 1)

**Choptank Level 1 Interconnection Agreement Change Notice
(To be completed and returned to the utility when a new utility account holder adopts the
Interconnection Agreement Terms and Conditions for an existing Solar Generating System ²²⁾**

Interconnection Customer Information

Former Account Name: _____
New Name: _____
System Address: _____
City: _____ State: _____ Zip Code: _____
Mailing Address (only if different than system address): _____
City: _____ State: _____ Zip Code: _____
Telephone (Daytime): __ (Evening): ____
Facsimile Number: ____ E-Mail Address: _____
System Capacity _____ KW (DC)

Interconnection Customer Signature

I agree to abide by the attached Terms and Conditions, agree to apply for a Renewable Energy Facility Certificate²³ at the Maryland Public Service Commission (PSC), and notify the Maryland Public Service Commission in writing²⁴ within 30 days of any change to the information contained in this change notice.

Signed _____ Date _____
(Signature of interconnection customer)

Printed Name: _____ System Capacity _____ KW (DC)
.....

Notice of replacement Interconnection Agreement and Final Approval (for Electric Distribution Company (“EDC”) use only)

A replacement Interconnection Agreement has been approved by the utility for the electric generation system at the address listed above. The new Interconnection Agreement is approved upon the signing and return of this Certificate Change Notice by utility:

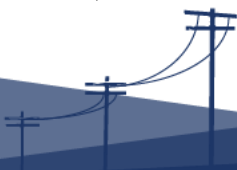
Utility Signature: _____ Date: _____

Printed Name: _____ Title: _____

²² The purpose of this form is to: (1) allow new utility account holders to enter into Choptank’s Terms and Conditions for Interconnection; and (2) attach the signed form with Public Service Commission application for a Level 1 Renewable Energy Facility Certification. The EN71 REF Certificate application form is available on the PSC web site.

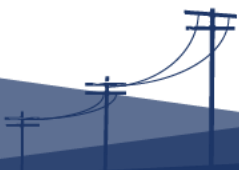
²³ Obtain an EN71 REF Certificate application form at <https://www.psc.state.md.us/#> or call the PSC at 410 767-8510

²⁴ Send written notice to Office of the Executive Secretary, Maryland Public Service Commission, 6 St. Paul, Baltimore, Md. 21202.

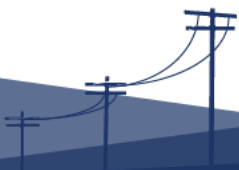


Terms and Conditions for Interconnection

- 1) **Construction of the Small Generator Facility.** The Interconnection Customer may proceed to construct (including operational testing not to exceed 2 hours) the Small Generator Facility once the Conditional Agreement to Interconnect a Small Generator Facility on the preceding page has been signed by the Electric Distribution Company (“EDC”).
- 2) **Final Interconnection and Operation.** The Interconnection Customer may operate the Small Generator Facility and interconnect with the EDC’s Electric Distribution System after all of the following have occurred:
 - a) **Electrical Inspection:** Upon completing construction, the Interconnection Customer will cause the Small Generator Facility to be inspected by the local electrical wiring inspector with jurisdiction who shall establish that the Small Generator Facility meets the requirements of the National Electrical Code.
 - b) **Certificate of Completion:** The Interconnection Customer shall provide the EDC with a completed copy of the Interconnection Agreement Certificate of Completion, including evidence of the electrical inspection performed by the local authority having jurisdiction. The evidence of completion of the electrical inspection may be provided on inspection forms used by local inspecting authorities. The Interconnection request shall not be finally approved until the EDC’s representative signs the Interconnection Agreement Certificate of Completion.
 - c) EDC has either waived the right to a Witness Test in the Interconnection Request, or completed its Witness Test as per the following:
 - i) Within five (5) business days of the estimated commissioning date, the EDC may, upon reasonable notice and at a mutually convenient time, conduct a Witness Test of the Small Generator Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes;
 - ii) If the EDC does not perform the Witness Test within the 5-day period or such other time as is mutually agreed to by the parties, the Witness Test is deemed waived.
- 3) **IEEE 1547.** The Small Generator Facility is installed operated and tested in accordance with the requirements of IEEE standard 1547, “Standard for Interconnecting Distributed Resources with Electric Power Systems”, as amended and supplemented, at the time the interconnection request is submitted.
- 4) **Voltage Rise.** Voltage rise may be experienced due to reverse power flow through the electric system. Should voltage become excessive for the Interconnection Customer or neighbors, the Interconnection Customer at his expense, shall take corrective action to lower voltage within standards, including ceasing to generate power, until correction is made
- 4) **Access.** The EDC shall have direct, unabated access to the disconnect switch and metering equipment of the Small Generator Facility at all times. The EDC shall provide reasonable notice to the customer when possible prior to using its right of access.
- 5) **Metering.** Any required metering shall be installed pursuant to appropriate tariffs and tested by the EDC pursuant to the EDC’s meter testing requirements pursuant to the Code of Maryland Regulations (COMAR)
- 6) **Disconnection.** The EDC may temporarily disconnect the Small Generator Facility upon the following conditions:
 - a) For scheduled outages upon reasonable notice;
 - b) For unscheduled outages or emergency conditions;
 - c) If the Small Generator Facility does not operate in the manner consistent with this Agreement;
 - d) Improper installation or failure to pass the Witness Test;
 - e) If the Small Generator Facility is creating a safety, reliability or a power quality problem; or
 - f) The Interconnection Equipment used by the Small Generator Facility is de-listed by the Nationally Recognized Testing Laboratory that provided the listing at the time the interconnection was approved.



- 7) **Indemnification.** The parties shall at all times indemnify, defend, and save the other party harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other party's performance or failure to perform under this Agreement on behalf of the indemnifying party, except in cases of gross negligence or intentional wrongdoing by the indemnified party.
- 8) **Limitation of Liability.** Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever.
- 9) **Termination.** This Agreement may be terminated under the following conditions:
 - a) By Interconnection Customer - The Interconnection Customer may terminate this application agreement by providing written notice to the EDC.
 - b) By the EDC - The EDC may terminate this Agreement if the Interconnection Customer fails to remedy a violation of terms of this Agreement within 30 calendar days after notice, or such other date as may be mutually agreed to prior to the expiration of the 30 calendar day remedy period. The termination date can be no less than 30 calendar days after the Interconnection Customer receives notice of its violation from the EDC.
- 10) **Modification of Small Generator Facility.** The Interconnection Customer must receive written authorization from the EDC before making any changes to the Small Generator Facility, other than minor changes that do not have a significant impact on safety or reliability of the Electric Distribution System as determined by the EDC. If the Interconnection Customer makes such modifications without the EDC's prior written authorization, the EDC shall have the right to temporarily disconnect the Small Generator Facility.
- 11) **Permanent Disconnection.** In the event the Agreement is terminated, the EDC shall have the right to disconnect its facilities or direct the customer to disconnect its Small Generator Facility.
- 12) **Disputes.** Each party agrees to attempt to resolve all disputes regarding the provisions of these interconnection procedures pursuant to the dispute resolution provisions of the Maryland Standard Small Generator Interconnection Rules.
- 14) **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 Maryland. Nothing in this Agreement is intended to affect any other agreement between the EDC and the Interconnection Customer. However, in the event that the provisions of this agreement are in conflict with the provisions of the EDC's tariff, the EDC tariff shall control.
- 15) **Survival Rights.** This Agreement shall continue in effect after termination to the extent necessary to allow or require either party to fulfill rights or obligations that arose under the Agreement.
- 16) **Assignment/Transfer of Ownership of the Small Generator Facility.** This Agreement shall terminate upon the transfer of ownership of the Small Generator Facility to a new Eligible Customer Generator (owner or tenant), unless the new Eligible Customer Generator notifies the EDC of the change, their agreement to abide by the Terms and Conditions of the original Interconnection Agreement, and so notifies the EDC in writing prior to or coincident with the transfer of electric service to the new customer. Should an interconnection agreement terminate for failure of a new customer to provide appropriate written agreement within 30 days, the EDC shall notify the Public Service Commission the Interconnection Agreement has been terminated.
- 17) **Definitions.** Any capitalized term used herein and not defined shall have the same meaning as the defined terms used in the Maryland Standard Small Generator Interconnection Rule.
- 18) **Notice.** 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:

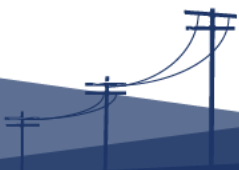


If to Interconnection Customer:

Use the contact information provided in the Agreement for the Interconnection Customer. The Interconnection Customer is responsible for notifying the EDC of any change in the contact party information, including change of ownership.

If to EDC:

Use the contact information provided on the EDC's web page for small generator interconnection.



Appendix H: Change Notice (Level 2-4)

**Notice of Assignment of Maryland Level 2, 3, and 4 Interconnection Agreement
(To be completed and returned to the utility when a new utility account holder assumes assignment of the
Interconnection Agreement for an existing Generating System²⁵)**

Interconnection Customer Information

Former Account Name: _____

New Name: _____

System Address: _____

City: _____ State: _____ Zip Code: _____

Mailing Address (only if different than system address): _____

City: _____ State: _____ Zip Code: _____

Telephone (Daytime): _____ (Evening): _____

Facsimile Number: _____ E-Mail Address: _____

System Capacity _____ kW (DC)

Interconnection Customer Signature

I agree to abide by the terms of the original Interconnection Agreement executed at the time of the Generating System's installation and thereafter assigned to me, and to notify the Maryland Public Service Commission in writing²⁶ within 30 days of any change to the information contained in this notice of assignment.

Signed: _____ Date _____

(Signature of interconnection customer)

Printed Name: _____ System Capacity _____ KW (DC)

**Notice of Assignment of Interconnection Agreement and Final Approval
(for Electric Distribution Company "EDC" use only)**

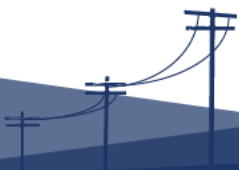
Assignment of the previously-executed and active Interconnection Agreement has been approved by the utility for the Generating System at the address listed above.

Utility Signature: _____ Date: _____

Printed Name: _____ Title: _____

²⁵ The purpose of this form is to: (1) allow new utility account holders to assume assignment of an existing Interconnect Agreement per article 6.1 thereof, including the terms and conditions contained therein; and (2) attach the signed form with Public Service Commission application for a Level 2-4 Renewable Energy Facility Certification, if applicable. The EN71 REF Certificate application form is available on the PSC website (<https://www.psc.state.md.us/#>).

²⁶ Send written notice to Office of the Executive Secretary, Maryland Public Service Commission, 6 St. Paul, Baltimore, Md. 21202.



Addendum to the Assigned Interconnection Agreement

Article 10. Notice

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

Customer Name

Customer Address

City, State, Zip Code

Day Phone:

Night Phone:

Cell Phone:

Fax #:

Email:

If to EDC:

Choptank Electric Cooperative, Inc.

Net Metering Dept.

P.O. Box 430

Denton, MD 21629

Phone: 410-479-8500

Fax: 410-479-3941

E-mail: netmetering@choptankelectric.coop

10.2 Billing and Payment

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

If to Interconnection Customer:

Customer Name

Customer Address

City, State, Zip Code

Day Phone:

Night Phone:

Cell Phone:

Fax #:

Email:

If to EDC:

Choptank Electric Cooperative, Inc.

Net Metering Dept.

P.O. Box 430

Denton, MD 21629

Phone: 410-479-8500

Fax: 410-479-3941

E-mail: netmetering@choptankelectric.coop

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:

Customer Name

Customer Address

City, State, Zip Code

Day Phone:

Night Phone:

Cell Phone:

Fax #:

Email:

EDC's Operating Representative:

Choptank Electric Cooperative,
Inc. Net Metering Dept.

P.O. Box 430

Denton, MD 21629

Phone: 410-479-8500

Fax: 410-479-3941

E-mail: netmetering@choptankelectric.coop

10.4 Changes to the Notice Information

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

Article 11. Signatures

IN WITNESS WHEREOF, the Parties have caused the original Interconnection Agreement to be amended by their respective duly authorized representatives.

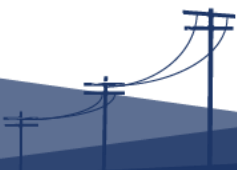
For the Interconnection Customer:

Signature: _____

Name: _____

Title: _____

Date: _____



For EDC:

Signature: _____

Name: _____

Title: _____

Date: _____

