

BAYFIELD ELECTRIC COOPERATIVE

**MEMBER-OWNED
DISTRIBUTED ENERGY RESOURCES
POLICY & PROCEDURES**

**Bayfield Electric Cooperative
Distributed Energy Resources Policy**

1. APPLICABILITY

This Policy is applicable to members of Bayfield Electric Cooperative ("Cooperative") who own and operate Distributed Energy Resources ("DER") facilities, as defined herein, that are interconnected with the Cooperative's system where such facilities are connected in parallel with the Cooperative, and where such facilities are approved by the Cooperative. The types of DER eligible for interconnection under this Policy include a variety of renewable and non-renewable facilities described in Section II of the DER Interconnection Application form included as Attachment A.

2. CUSTOMER OWNED DER FACILITIES < 40 kW AC

- 2.1. Eligibility. The energy production capacity of a member's DER facility will be deemed to be the manufacturer's name plate rating. All DER facilities interconnected with the Cooperative by the same member within a one (1) mile radius shall count toward an aggregated nameplate capacity of less than 40 kW AC for purposes of this paragraph.
- 2.2. Net Energy Metering. The excess energy production of a member's DER facility will be will tracked (in kWh) by the Cooperative. "Excess Energy" is energy produced by the DER facility which flows into the Cooperative system.
- 2.2.1. Prior to April 1, 2025, Cooperative will track energy (in kWh) produced by Generator flowing to the Cooperative system. Cooperative will "bank" 100% of the excess energy (in kWh) as credits against future Member energy usage. Credits can be banked and carried forward month to month and applied to future consumption in subsequent billing periods. After the March billing period of each calendar year, any remaining balance of accrued excess energy shall be credited to the Member and the balance zeroed. The credit will be calculated by multiplying the accrued excess energy balance by the Cooperative's avoided cost of energy. Avoided Cost for purposes of this Section 2.2.1 shall be calculated as the annual average cost of energy for the prior calendar year, as determined by the Cooperative's wholesale supplier, Dairyland Power Cooperative, under its avoided cost rate applicable to qualifying facilities with a capacity of 100 kW AC or less. The dollar amount shall appear as a credit on successive months' bill or bills.

2.2.2. On and after April 1, 2025, the Member will have two options to account for excess energy generation.

2.2.2.1. Option 1 - Net Energy Metering Agreement - Member can sign Net Energy Metering Agreement (“NEMA”) included as Attachment B. In the event a Member does not have a valid NEMA with the Cooperative, Member shall be compensated for excess energy generation according to Section 2.2.2.2.

2.2.2.2. Option 2 - Avoided Cost - Each month, excess energy will be credited to the Member at Cooperative’s avoided cost of wholesale power (energy only) plus \$.002/kWh for the previous calendar month. The credit will be calculated by multiplying the accrued excess energy balance by the Cooperative’s avoided cost of energy plus \$.002/kWh. The \$.002/kWh is compensation for Environmental Attributes in Section 2.3. Avoided Cost for purposes of this Section 2.2.2.2 shall be calculated as the monthly average cost of energy for the prior calendar month, as determined by the Cooperative’s wholesale supplier, Dairyland Power Cooperative, under its avoided cost rate applicable to qualifying facilities with a capacity of 100 kW AC or less. The dollar amount shall appear as a credit on successive months’ bill or bills.

2.3. Environmental Attributes. If applicable, Cooperative shall retain any available environmental attributes associated with excess energy. “Environmental Attributes” means and includes all rights, credits, benefits, emissions reductions, offsets, and allowances resulting from the environmental or renewable characteristics or attributes of the DER facility or the avoidance of the emission of any greenhouse gas, chemical, or pollutant to the air, soil or water, which are deemed of value by Cooperative, in each case now or hereafter created or recognized by any governmental authority or independent certification association and generated by or associated with the DER facility. This includes, without limitation, any renewable energy credits (REC’s) or similar rights arising under the Wisconsin Renewable Portfolio Standard (RPS), any federal or state renewable portfolio standard, and any credits, offsets or similar rights arising under any federal or state carbon legislation or regulation or any voluntary or government-mandated carbon trading program.

3. CUSTOMER-OWNED DER FACILITIES \geq 40 kW AC

Member-owned DER facilities with a nameplate capacity of 40 kW AC or greater shall be reviewed in light of the Cooperative’s wholesale all-requirements contractual obligations and applicable state and federal law. The terms and conditions of purchase shall be established by Dairyland Power Cooperative. The terms and conditions for interconnection are as provided in this Policy.

4. SAFETY, SYSTEM PROTECTION AND POWER QUALITY RULES OF INTERCONNECTION

The member shall be responsible for and will coordinate the design, installation, testing, operation and maintenance of DER facilities in conformance with the interconnection agreement, Subchapters III and IV of Chapter PSC 119 of the Wisconsin Administrative Code; Wisconsin Distributed Interconnection Guidelines (Wisconsin Interconnection Collaborative, April 9, 2004) (“Guidelines”) incorporated herein by reference; and all applicable federal, state and local laws, ordinances and regulations. The terms of the interconnection agreement shall supersede any conflicting term of Chapter PSC 119 or the Guidelines. The requirements of this paragraph are designed to protect distribution system facilities, avoid electrical interference problems, ensure the safety of customers, electric employees, other Cooperative customers and the general public, and maintain overall system reliability.

- 4.1 The member is responsible to protect the DER facilities, which should be accomplished through the proper installation, operation and maintenance of the specified protective devices. The member shall obtain, at their expense, any and all authorizations, permits and licenses required for the construction and operation of the DER facilities.
- 4.2. Where necessary for public or employee safety or the potential for a DER facility to create reliability or power quality issues that interfere with the electric service of other members, the Cooperative may require the member to reimburse the Cooperative for the cost of a separate distribution transformer(s). Ordinarily this requirement should not be necessary for an induction-type generator with a capacity of 5 kW or less, or other facilities with a capacity of 10 kW or less that utilize line-commutated inverters.
- 4.3. The Cooperative may require that there be provided between the DER facilities and the Cooperative system a lockable load break disconnect switch. The switch must be accessible to the Cooperative for the purpose of isolating the DER equipment from the Cooperative system when necessary. The Cooperative may require the member to discontinue operations and to isolate the DER facilities from the Cooperative's system for any of the following reasons:
 1. To facilitate maintenance or repair of Cooperative facilities.
 2. During system emergencies and where necessary as determined by the Cooperative to protect the public against personal injury and/or property damage.
 3. At such times as the member’s DER equipment is operating in a hazardous manner or is operating such that it adversely affects service to other members or to nearby communications systems or circuits.

4. Non-compliance with the Interconnection Agreement and/or the requirements of this Policy.
- 4.4 The member shall make equipment available and permit entry upon the property by Cooperative and communication utility personnel at reasonable times for the purposes of testing isolation and protective equipment and evaluating the quality of power delivered to the Cooperative's system; and testing to determine whether the local generating system is the source of any electric service or communication systems problems.
- 4.5 The power output of the member must be maintained such that frequency and voltage are compatible with normal Cooperative service and do not cause that service to fall outside the prescribed limits of the Wisconsin Public Service Commission rules and other standard limitations.
- 4.6 The member's installation must be operated so that variations from acceptable voltage levels and other service impairing disturbances do not result in adverse effects on the service or equipment of other consumers, and in a manner that does not produce undesirable levels of harmonics in the Cooperative power supply.
- 4.7 Members enrolled in the peak load management program shall have their DER facilities set up with parallel meters, not submeters.

5. APPLICATION PROCEDURE

A written application and agreement between the Cooperative and the member in the forms attached hereto as Appendix B is required to facilitate a safe and reliable connection of the DER facility to the Cooperative's distribution system. Upon receipt, the Cooperative shall review the application for completeness and respond to the member within a reasonable period of time, utilizing the time periods provided in Appendix A as a non-mandatory guideline. If the Cooperative determines that an engineering review is required, the Cooperative will provide the member with a cost estimate for completion of the review. Upon receipt of written authorization and payment from the member, the Cooperative shall complete the engineering review.

6. MODIFICATIONS TO EXISTING DISTRIBUTED GENERATION FACILITIES

Any material modification member's existing DER facilities shall require submittal of a new DER Interconnection Application prior to implementation of said modifications.

7. DISPUTE RESOLUTION

The Parties agree to attempt to resolve all disputes arising out of the application of this Policy or the interconnection agreement according to the provisions of this paragraph.

- 7.1 Written Notice of Dispute. In the event of a dispute in the interpretation or application of this Policy or an interconnection agreement executed under this Policy (“Dispute”), the disputing party (“Claimant”) shall provide the other Party (“Respondent”) with a written Notice of Dispute, describing in detail the nature of the dispute and the Party’s requested remedy.
- 7.2 Negotiation, Mediation and Costs. The Parties agree to negotiate in good faith to resolve any Dispute. In the event any such Dispute has not been resolved by the Parties within thirty (30) days after the Dispute has been brought to the attention of the Parties, and unless the Parties agree in writing otherwise, then the Parties shall endeavor to settle the dispute by mediation under the CPR Institute for Dispute Resolution Mediation Procedure in effect on the date of service of the Notice of Dispute, provided, however, that if one Party fails to participate in the negotiation as provided herein, the other Party may initiate mediation prior to the expiration of the 30 days. If the Parties cannot agree upon selection of a mediator, the Parties will select a mediator from the CPR Panels of Distinguished Neutrals. If any such Dispute has not been resolved by mediation as provided herein within 45 days after initiation of the mediation procedure, then either Party may pursue its rights at law or in equity. Each Party will be responsible for its own costs and for one-half of any costs incurred for mediator.
- 7.3. Other Rights and Remedies. If the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the Bylaws, Board Policies and terms of any interconnection agreement between the Parties.

8. TERMINATION OF AGREEMENTS

In the event of termination or expiration of the Interconnection Agreement under this Policy, whether for cause or by mutual agreement, the DER facility shall be disconnected from the Cooperative System. Member is required to submit a new written application under Section 5 of this Policy to reconnect the facility. Member shall be eligible to enter into a new NEMA upon reconnection of the DER facility in compliance with this Policy.

9. AMENDMENT

This Policy is subject to modification by the Cooperative at any time and at the sole discretion of the Cooperative. Prior to making use of the information contained herein, please check with appropriate Cooperative staff.

Approved by the Board of Directors

Adopted: _____ 05/07/2010

<u>Revised:</u>	<u>06/09/2011</u>
<u>Revised:</u>	<u>10/11/2013</u>
<u>Revised:</u>	<u>04/15/2014</u>
<u>Revised:</u>	<u>12/12/2014</u>
<u>Revised:</u>	<u>08/ /2016</u>
<u>Revised:</u>	<u>08/10/2018</u>
<u>Revised:</u>	<u>04/12/2019</u>
<u>Revised:</u>	<u>02/14/2020</u>
<u>Revised:</u>	<u>10/13/2022</u>

APPENDIX A

Distributed Energy Resource (DER)

Interconnection Application Form

Interconnection Agreement

Distributed Energy Resource (DER) Interconnection Application Form

All Interconnection Customer requests to interconnect a Distributed Energy Resource (“DER”) with the Bayfield Electric Cooperative (“Cooperative”) electric distribution system, must complete and submit this Interconnection Application Form to the along with a **\$500 non-refundable Processing Fee**. Each proposed DER interconnection requires a separate Interconnection Application Form and Processing Fee.

Following the receipt of the Interconnection Application Form and Processing Fee, the Cooperative will determine if the application is complete. If not complete, the Cooperative will return the Interconnection Application Form to the applicant indicating which additional items are needed to process the application.

System Impact Study

The Cooperative reserves the right to require a System Impact Study (“SIS”) to assess the impact of the proposed DER facility on the reliability and power quality of the Cooperative distribution system. The Cooperative will determine if a SIS is needed based on factors including, but not limited to, the proposed DER size, type, and interconnection location with the system. For applications requiring a SIS, the applicant shall submit a deposit of \$10,000 to fund the study. Any unused funds for the SIS will be returned to the applicant.

I. Interconnection Customer Information

Legal Name of the Interconnection Customer (*or, if an individual, individual's name*)

Name: _____

Contact Name: _____

Title: _____

E-mail Address: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Facility Location (*if different from above*)

Mailing Address: _____

City: _____ State: _____ Zip: _____

Alternative Contact Information/Owner/Lessor (if different from the Interconnection Customer)

Contact Name: _____

Title: _____

Company: _____

E-mail Address: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Application is for:

- New DER facility
- Capacity change to a proposed or existing DER facility
- Change of ownership of a proposed or existing DER facility to a new legal entity
- Change of control of a proposed or existing DER facility of the existing legal entity

If capacity addition to an existing DER Facility, please describe: _____

Will the Generating Facility be used for any of the following?

To supply power to the Interconnection Customer Yes No

To supply power to Bayfield Electric Cooperative Yes No

To supply power to others Yes No

(NOTE: The following is to be completed for a new DER facility or a capacity change to a proposed or existing DER facility.)

Requested point of interconnect: _____

Requested in-service date: _____

For installations at locations with existing electric service to which the proposed DER Facility will interconnect, provide:

Existing account number: _____

Service address: _____

Billing Address (if different from Service Address): _____

II. General DER Information

Information applies only to the DER Facility, not the Interconnection Facilities.

Prime Mover:

- Photovoltaic (PV) Fuel Cell Reciprocating Engine
- Gas Turbine Steam Turbine Micro-turbine
- Battery Other: _____

Energy Source:

- | | | |
|---|---|--|
| <u>Renewable</u> | <u>Renewable</u> | <u>Non-Renewable</u> |
| <input type="checkbox"/> Solar – Photovoltaic | <input type="checkbox"/> Hydro – Run of River | <input type="checkbox"/> Fossil Fuel – Diesel |
| <input type="checkbox"/> Solar – Thermal | <input type="checkbox"/> Hydro – Storage | <input type="checkbox"/> Fossil Fuel – Natural Gas |
| <input type="checkbox"/> Biomass – Landfill Gas | <input type="checkbox"/> Wind | <input type="checkbox"/> Fossil Fuel – Oil |
| <input type="checkbox"/> Biomass – Digester Gas | <input type="checkbox"/> Geothermal | <input type="checkbox"/> Fossil Fuel – Coal |
| <input type="checkbox"/> Biomass – Solid Waste | <input type="checkbox"/> Other/Specify _____ | <input type="checkbox"/> Other/Specify _____ |
| <input type="checkbox"/> Biomass – Wood | | |

Energy Reuse

- Battery Storage

Type of DER: Synchronous Induction DFIG Inverter

Total DER nameplate output rating: _____ kW-AC _____ kW-DC _____ kVAR

Is the DER facility package certified? Yes No

List components of the DER Facility equipment package that are currently certified:

	Quantity	Equipment Type	Certification
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____

III. Load and Export Information

Interconnection Customer or customer-side peak load: _____ kW-AC (state if none)
Interconnection Customer or customer-side minimum load: _____ kW-AC (state if none)
Interconnection Customer DER auxiliary load: _____ kW-AC (state if none)
Expected reactive load (if known): _____ kVAR
Maximum export capabilities requested: _____ kW-AC (required)

IV. Inverter-Based DER Facility Characteristics (if applicable).

Solar Panel Information

	Quantity	Manufacturer	Model
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Individual Photovoltaic Panel

Current at maximum power point (I_{mpp}): _____ Amps
Voltage at maximum power point (V_{mpp}): _____ Volts
Short-circuit current in standard test conditions (I_{sc}): _____ Amps
Open-circuit voltage in standard test conditions (V_{oc}): _____ Volts
Short-circuit current temperature coefficient (α_{sc}): _____ %/°C
Open-circuit voltage temperature coefficient (β_{oc}): _____ %/°C
Normal operating cell temperature (NOCT): _____ °C
Reference ambient temperature (T_a ref): _____ °C
Standard test condition temperature (T_{stc}): _____ °C
Standard test condition irradiance (G_{stc}): _____ W/m²

Total Photovoltaic Array

Fixed Tilt Array Single Axis Tracking Array Double Axis Tracking Array
Number of photovoltaic panels in series (N_s): _____
Number of photo voltaic panels in parallel (N_p): _____
DC voltage of array: _____ Volts-DC
Rated power of array: _____ kW-DC

Inverter Information

Line-commutated Self-commutated

Rated DC side voltage (Vdc): _____ Volts

DC side capacitor: _____ μ F

AC side inverter rating: _____ kVA

AC side active power rating: _____ kW

AC side reactive power rating: _____ kVAR

AC side minimum power factor rating: _____ %

Internal coupling resistance (R): _____ Ω

Internal coupling inductance (L): _____ H

Maximum instantaneous fault contribution per inverter: _____ kA @ _____ Volts

Maximum instantaneous fault contribution of installation: _____ kA @ _____ Volts

Maximum RMS fault contribution per inverter: _____ kA @ _____ Volts

Maximum RMS fault contribution of installation: _____ kA @ _____ Volts

Harmonic characteristics: _____

Inverter Modeling Parameters (valid for initial 2 to 6 cycles)

Inverter equivalent MVA base: _____ MVA

Short-circuit equivalent positive sequence resistance (R_1): _____ p.u.

Short-circuit equivalent positive sequence reactance (X_1): _____ p.u.

Short-circuit equivalent negative sequence resistance (R_2): _____ p.u.

Short-circuit equivalent negative sequence reactance (X_2): _____ p.u.

Short-circuit equivalent zero sequence resistance (R_0): _____ p.u.

Short-circuit equivalent zero sequence reactance (X_0): _____ p.u.

V. Rotating Machine DER Facility Characteristics (if applicable)

Synchronous Machines

Equivalent MVA base: _____ MVA

Field voltage: _____ Volts

Field amperage: _____ Amps

Direct axis synchronous reactance, X_d : _____ p.u.

Direct axis transient reactance, X'_d : _____ p.u.

Direct axis subtransient reactance, X''_d : _____ p.u.

Negative sequence reactance, X_2 : _____ p.u.

Zero sequence reactance, X_0 : _____ p.u.

Induction Machines

Motoring power: _____ kW

Equivalent MVA base: _____ MVA

I²t or K (Heating time constant): _____

Rotor resistance, R_r: _____ p.u.

Stator resistance, R_s: _____ p.u.

Rotor reactance, X_r: _____ p.u.

Stator reactance, X_s: _____ p.u.

Magnetizing reactance, X_m: _____ p.u.

Short current reactance, X_d: _____ p.u.

Exciting current: _____ Amps

Required reactive power (No load): _____ kVAR

Required reactive power (Full Load): _____ kVAR

Total rotating inertia, H: _____ p.u.

VI. Interconnection Facilities Information *(if applicable)*

Will more than one transformer be used between the DER and the point of common coupling?

Yes No

(If yes, provide the below information for each transformer. The number of transformers must match the one-line diagram and transformer specification sheets.)

Will the transformer be provided by the Interconnection Customer? Yes No

Transformer Data *(if supplied and Owned by Interconnection Customer)*

Single-Phase Three-Phase

Size: _____ kVA

Impedance: _____ %

For three-phase transformers:

Primary Winding Voltage: _____ Volts

Delta Wye, grounded neutral (Co-op Standard) Wye, floating neutral

Secondary Winding Voltage: _____ Volts

Delta Wye, grounded neutral (Co-op Standard) Wye, floating neutral

Tertiary Delta Winding? Yes No

Transformer fuse data *(if applicable)*

Manufacturer: _____ Type: _____ Size: _____ Speed: _____

VII. Additional Information

One-Line Diagram

Enclose site electrical one-line diagram showing the configuration of all DER Facility equipment, current and potential circuits, and protection and control schemes.

- Include the project owner's name, project name, project address, model numbers and nameplate sizes of equipment, including number and nameplate electrical size information for solar panels, inverters, wind turbines, disconnect switches, latitude and longitude of the project location, and tilt angle and orientation of the photovoltaic array for solar projects.
- Depict the metering arrangement required whether installed on the customer side of an existing meter or directly connected to the grid through a new or separate delivery point requiring a separate meter.
- List of adjustable set points for the protective equipment or software should be included on the electrical one-line diagram.
- Signed and sealed by a licensed Professional Engineer if the DER Facility is greater than 40 kW.

Is one-line diagram enclosed? Yes No

Site Plan

Enclose site plan showing the physical location of the proposed DER and point of interconnection with the utility.

- Indicate the latitude and longitude coordinates.
- Overlay on an aerial map.
- Included the proposed location of protective interface equipment on property.

Is a site plan enclosed? Yes No

Equipment Specifications

Include equipment specification information (product literature) for the solar panels and inverter(s) that provides technical information and certification information for the equipment to be installed with the application.

Are equipment specifications enclosed? Yes No

Protection and Control Schemes

- Enclose copy of any site documentation that describes and details the operation of the protection and control scheme.
- Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (*if applicable*)

Are protection and control documents and schematics enclosed? Yes No

VIII. Applicants Signature

All DER Interconnections must comply with the Cooperative’s DER Interconnection Technical Standards.

I hereby certify that, to the best of my knowledge, all the information provided in this DER Interconnection Application Form is true and correct. I also certify that I have received a copy of the Cooperative’s DER Interconnection Technical Standards.

Interconnection Customer

Signature: _____
(Authorized Agent of the Legal Entity)

Date: _____

Printed Name: _____



Distributed Energy Resources Interconnection Agreement

Distributed By

Supplied By

**Distributed Energy Resources Owner
Name & Address:**

**Bayfield Electric Cooperative
68460 District Street, P.O. Box 68
Iron River, WI 54847-0068**

This Distributed Energy Resources Interconnection Agreement (the "Agreement"), is made and entered into this _____ (day) of _____ (month), _____ (year) by and between Bayfield Electric Cooperative hereinafter called "Cooperative" and _____ hereinafter called the "Applicant." Cooperative and the Applicant are hereinafter collectively referred to as the "Parties" and individually as a "Party."

Recitals

- A. The Cooperative is the owner of the electric distribution system serving _____ [Insert legal description of property or address] ("The Cooperative's Distribution System").
- B. Applicant desires to install a Distributed Energy Resources ("DER") facility or energy storage device, including related interconnection equipment (the "DER Facility") and to interconnect the DER Facility to the Cooperative's distribution system.
- C. The Cooperative has previously reviewed, and approved Applicant's DER Interconnection Application Form dated _____ and supporting materials (the Application"). The completed Application is attached as Exhibit I and incorporated into this Agreement, subject to the Cooperative's approval of the pending final diagram.
- D. Applicant wishes to interconnect the DER Facility to the Cooperative's distribution system and the Cooperative is willing to permit such interconnection subject to the terms and conditions set forth in: (1) Cooperative Policy 300.11; (2) the completed Application approved by the Cooperative; and (3) this Agreement (including the attachments).
- E. No agency or partnership is created with the interconnection of the Applicant's DER Facility.

Agreement

NOW THEREFORE, in consideration of the foregoing Recitals and for good and valuable consideration, the Cooperative and Applicant agree as follows:

1. Design Requirements

The DER Facility shall be installed in compliance with the requirements of Cooperative Policy 300.11, and all applicable federal, state and local laws, codes and ordinances.

2. Applicant's Representation and Warranties.

Applicant represents and warrants that:

- a. the DER Facility is fully and accurately described in the Application;
- b. all information in the Application is true and correct;
- c. the DER Facility has been installed to Applicant's satisfaction;
- d. Applicant has been given warranty information and an operation manual for the DER Facility; and
- e. Applicant has been adequately instructed in the operation and maintenance of the DER Facility.

3. Interconnection Disconnect Switch

The Cooperative may require that the Applicant furnish and install an interconnection disconnect switch that opens, with a visual break, all ungrounded poles of the interconnection circuit. The interconnection disconnect switch shall be rated for the voltage and fault current requirements of the DER Facility, and shall meet all applicable UL, ANSI, and IEEE standards, as well as applicable requirements of the Wisconsin Electrical Safety Code, Volume 2, Chapter Comm 16. The switch enclosure shall be properly grounded. The interconnection disconnect switch shall be accessible at all times, located for ease of access to the Cooperative personnel, and shall be capable of being locked in the open position. The Applicant shall follow the Cooperative's recommended switching, clearance, tagging, and locking procedures.

4. Modification to DER Facility.

Applicant shall notify the Cooperative of plans for any material modification to the DER Facility. A "material modification" is defined as any modification that changes the maximum electrical output of the DER Facility or changes the interconnection equipment (e.g., changing from certified to non-certified devices or replacement of components with components of different functionality or UL listings). The notification shall consist of a new Application and such supporting materials as may be reasonably requested by the Cooperative. Applicant agrees not to commence installation of any material modification to the DER Facility until the Cooperative has approved the new Application and Interconnection Agreement, which approval shall not be unreasonably withheld by the Cooperative. The timetable for the Cooperative's response to proposed material modification, after receiving proper notification, is described in Wisconsin Administrative Code § PSC 119.06 and shown below.

Category	Generation Capacity after Modification	Working Days for the Cooperative's Response to Proposed Modifications
1	Less than or equal to 20 kW	20
2	Greater than 20 kW to 200 kW	40
3	Greater than 200 kW to 1 MW	60
4	Great than 1 MW to 15 MW	60

5. Insurance.

Throughout the term of this Agreement, Applicant shall carry a liability insurance policy that provides protection against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of Applicant's ownership and/or operation of the DER Facility under this Agreement. For facilities less than or equal to 20 kW, the limits of such policy shall be at least \$300,000.00 per occurrence. For facilities greater than 20 kW, the limits of such policy shall be at least \$1,000,000.00 per occurrence. The failure of the Cooperative to enforce the minimum levels of insurance does not relieve the Applicant from maintaining such levels of insurance or relieve Applicant of any liability. Prior to execution of this Agreement applicant shall provide Cooperative with a certificate of insurance naming the Cooperative as an additional insured, containing a minimum 30-day notice of cancellation.

6. Indemnification.

Notwithstanding the limitations set forth in this Section, and to the extent allowable by law, each Party to this Agreement shall indemnify, hold harmless and defend the other Party, its officers, directors, employees and agents from and against any and all claims, suits, liabilities, damages, costs and expenses (including without limitation, reasonable attorneys and expert witness fees) for damage to property, or injury to, or death of any individual, including the employees, officers, directors and agents of the indemnified Party or any other third parties, to the extent caused wholly or in part by the negligence or the intentional wrongdoing of the indemnifying Party. The liability of each Party to this Agreement shall otherwise be limited to direct actual damages, and all other damages at law or in equity are hereby waived. Under no circumstances shall a Party be liable to the other Party, whether in tort, contract or other basis in law or equity, for any special, indirect, punitive, exemplary, or consequential damages, including lost profits. Applicant's and the Cooperative's indemnification obligations under this Section and the limits upon their respective liability shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any event or condition giving rise to an indemnification obligation that occurred prior to such expiration or termination.

7. DER Facility Commissioning Testing.

Applicant shall notify the Cooperative in writing that installation of the DER Facility is complete, and that the interconnection equipment is available for testing by the Cooperative at least fifteen (15) working days before Applicant interconnects the DER Facility with the Cooperative's Distribution System. The Cooperative shall thereupon have the right to test the DER Facility. The Cooperative shall also have the right to witness any testing by Applicant of the DER Facility. Any Cooperative testing of the DER Facility shall be completed within ten (10) working days. If the Cooperative waives its right to test the installed DER Facility by notifying Applicant in accordance with this Section, Applicant may interconnect the DER Facility to the Cooperative's Distribution System upon the earlier to occur of the following: (a) notification by the Cooperative; or (b) fifteen (15) working days after Applicant has notified the Cooperative that installation of the DER Facility is complete. Any testing of the DER Facility which is conducted by the Cooperative shall be conducted to determine compliance of the DER Facility with Wisconsin Administrative Code § PSC 119 and all other applicable regulations and standards. The Cooperative shall not unreasonably withhold its approval of the DER Facility upon the satisfactory completion of any such testing.

8. Access to DER Facility.

Applicant shall permit (and, if the land on which the DER Facility is located is not owned by Applicant, cause such land owner to permit) the Cooperative's employees and agents to enter the property on which the DER Facility is

located at any reasonable time for the purposes of inspecting and/or testing Applicant's DER Facility to insure its continued safe and satisfactory operation and the accuracy of the Cooperative's meters. Such inspections shall not relieve Applicant from its obligation to maintain the DER Facility and any related equipment owned by Applicant in safe and satisfactory operating condition.

9. Disconnection of a DER Facility to Permit Maintenance and Repairs.

Upon reasonable notice by the Cooperative, Applicant shall disconnect the DER Facility to permit the Cooperative to perform routine repairs and maintenance to the Cooperative's Distribution System, or to install modifications thereto, all of which work shall be performed by the Cooperative as promptly as is reasonably possible. Upon notice by the Cooperative that such repairs, maintenance, and/or modifications to the Cooperative's Distribution System have been completed, Applicant shall be permitted to promptly reconnect the DER Facility to the Cooperative's Distribution System.

10. Disconnection of a DER Facility without Notice.

When the Cooperative so requests, Applicant shall discontinue operation of the DER Facility and the Cooperative may isolate the DER Facility from the Cooperative's Distribution System, upon any of the following

- a. Termination of this Agreement;
- b. If, in the Cooperative's reasonable judgment, the DER Facility fails to comply with the Design Requirements specified in Wisconsin Administration Code §§ PSC 119.20 and PSC 119.25.
- c. In the event of an emergency on the Cooperative's Distribution System; or
- d. Upon any other breach of this Agreement by Applicant (a "Default"), that Applicant fails to remedy within ten (10) working days after receipt of written notice from the Cooperative.

In the event of any disconnection pursuant to a above, the DER Facility shall remain isolated from the Cooperative effective as of the effective date of the termination of this Agreement.

In the event of any disconnection pursuant to b above, the DER Facility shall remain isolated from the Cooperative until, in the reasonable judgment of the Cooperative, the DER Facility meets the Design Requirements.

In the event of any disconnection pursuant to c above, the DER Facility shall remain isolated from the Cooperative until the Cooperative's Distribution System is functioning in a safe manner.

In the event of any disconnection pursuant to d above, the DER Facility shall remain isolated from the Cooperative until Applicant has cured any Default. If Applicant fails to cure any Default within sixty (60) working days after written notice from the Cooperative of the occurrence of such Default, or such longer period as the Cooperative may agree to based on the circumstances of the Default and Applicant's efforts to cure, the Cooperative shall further have the right to terminate this Agreement without liability to Applicant for such termination effective as of the end of cure period.

11. Disputes; Right of Appeal.

Wisconsin Administrative Code § PSC 119.40 does not apply to this Agreement. Any dispute arising under this Agreement shall be resolved pursuant to Cooperative Policy 300.11.

12. Amendments; Non-Waiver.

Any amendment or modification to this Agreement must be in writing and executed by Applicant and the Cooperative. The failure of Applicant or the Cooperative to insist on performance by the other Party of any provision of this Agreement shall not waive the right of the Party who failed to insist on performance to enforce the same provision at a later time.

13. Terms of Agreement.

This Agreement shall become effective immediately upon the execution by the Parties, and shall continue in effect until terminated by any of the following:

- a. Mutual written agreement of the Parties;
- b. Abandonment or removal of the DER Facility by Applicant;
- c. By the Cooperative pursuant to Section 10 of this Agreement;
- d. By Applicant upon thirty (30) working days prior written notice given to the Cooperative.

14. Successors and Assigns.

- a. Assignment by Applicant. Applicant shall not assign its rights and obligations under this Agreement in whole or in part without the prior written consent of the Cooperative, which consent shall not be unreasonably withheld or unduly delayed. The Cooperative may withhold its consent to any proposed assignment if the proposed assignee fails to assume the obligations of Applicant under this Agreement in writing.
- b. Assignment by the Cooperative. The Cooperative shall have the right to assign this Agreement in whole upon written notification to the Applicant.
- c. Successors. This Agreement shall be binding upon the personal representatives, heirs, successors, and permitted assigns of the respective Parties.

15. Applicant and Cooperative Signature.

IN WITNESS WHEREOF, Applicant and Bayfield Electric Cooperative have executed this Agreement as of the year and date first set forth above.

Applicant Signature _____

Title _____ Date _____

Cooperative _____

Title _____ Date _____

APPENDIX B

Net Energy Metering Agreement



Your Touchstone Energy™ Cooperative
This institution is an equal opportunity provider & employer.
P.O. Box 68 • Iron River, WI 54847-0068
Phone (715) 372-4287 • Fax (715) 372-4318

Net Energy Metering Agreement

This Agreement is made and entered into the later of this _____ day of _____, _____ or April 1, 2025 (the “Effective Date”) by and between Bayfield Electric Cooperative (“Cooperative”), and the individual Cooperative Member (“Member”) identified below:

Member Name: _____;

Member #: _____;

Account #: _____;

Service Address: _____;

Mailing Address: _____;

Telephone Number: _____;

E-mail Address: _____.

This Agreement applies to the Member Owned Generation (“Generator”) described in the Distributed Generation Interconnection Agreement dated _____ between the Cooperative Member.

AGREEMENT

ARTICLE I - NET ENERGY METERING

- 1.1 **Term.** This Agreement shall be effective for a term of twenty (20) years beginning on the Effective Date.
- 1.2 **Billing.** Net Energy Metering is available to offset charges for kilowatt-hour (“kWh”) energy usage. Member is responsible for all other charges applicable to the Member’s rate class. The billing period to be used for this agreement shall be the customary billing period(s) for the Member’s rate class.

- 1.3 **Excess Energy.** Cooperative will track energy (in kWh) produced by Generator flowing to the Cooperative system. Cooperative will “bank” 90% of the excess energy (in kWh) as credits against future Member energy usage. Credits can be banked and carried forward month to month and applied to future consumption in subsequent billing periods. After the March billing period of each calendar year, any remaining balance of accrued energy shall be credited to the Member at Cooperative’s avoided cost of wholesale power (energy only) for the previous calendar year.
- 1.4 **Environmental Attributes.** Member acknowledges and agrees that any and all Environmental Attributes, as defined in Cooperative Policy 300.11, associated with the Generator shall be the property of Cooperative. Member is free to describe the environmental attributes of the Generator in public and private communications, provided, however, that Member agrees not to make any statement adverse to such ownership by Cooperative.

ARTICLE II - MISCELLANEOUS

- 2.1 **Metering and Interconnection Requirements.** The design and installation of the Generator shall comply with Cooperative’s Distributed Energy Resource Policy 300.11, all applicable laws and regulation including current and future safety and performance standards established by the National Electric Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories, Incorporated, and the Interconnection Agreement between Member and the Cooperative. All generator installations must be inspected and approved by Cooperative personal before the generator can operate in a grid interconnect mode.
- 2.2 **Release; Indemnity.** Member hereby fully and unconditionally releases Cooperative from any and all liability for any personal injury or property damage incurred as a result of the operation of the Generator. Member further agrees to defend, indemnify and hold the Cooperative harmless from and against any and all claims, demands, damages and losses incurred by third parties resulting from the installation or operation of the Generator.
- 2.3 **No Assignment.** This Agreement is not assignable by Member to any subsequent purchaser of Member’s premises. Any attempted assignment shall be null and void.
- 2.4 **Governing Law.** The Agreement is made in the State of Wisconsin and shall be interpreted and governed by the laws of the State of Wisconsin and/or the laws of the United States, as applicable. The parties acknowledge and agree that a court of competent jurisdiction in Bayfield County, Wisconsin shall have exclusive jurisdiction in any action or proceeding arising under or relating to this Agreement.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be duly executed as of the day and year first above written.

Dated: _____

Bayfield Electric Cooperative

By: _____

Christopher Kopel

Chief Executive Officer

Dated: _____

Member

By: _____

Print Name: _____