

Customer-Owned Generation FACILITIES INTERCONNECTION AGREEMENT

This Agreement, ("**Agreement**") is entered into by and between the City of Syracuse, Nebraska ("**Utility**") and _____ ("**Customer**"). Customer and Utility are referenced in this Agreement collectively as "**Parties**" and individually as "**Party**."

Recitals

WHEREAS, Utility is a publicly-owned electric utility engaged in the retail sale of electricity in the state of Nebraska,

WHEREAS, Customer owns or desires to install, own and operate an electric Generating Facility that qualifies as a Qualifying Facility under the Utility's ***Policy and Guidelines for Interconnection for Parallel Installation and Operation*** (adopted May 23, 2022) and as allowed by federal and Nebraska law;

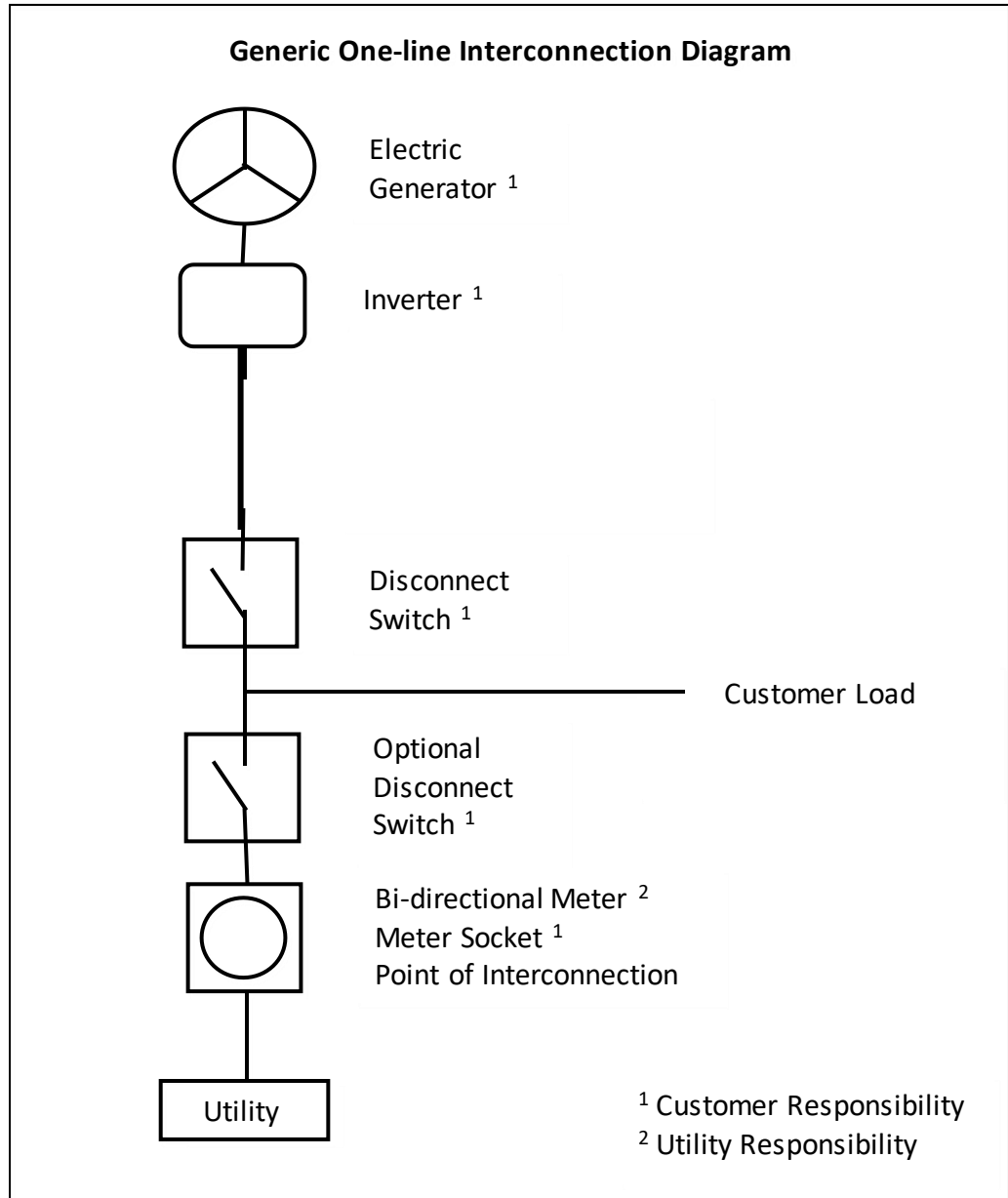
Agreement

NOW, THEREFORE, in consideration of the covenants and promises herein, the Parties mutually agree as follows:

1. **SCOPE OF AGREEMENT**
This Agreement governs the terms and conditions under which the Customer's Generating Facility will interconnect with, and operate in parallel with, the Utility's electrical system. Terms used in this Agreement and not otherwise defined shall have the respective meaning given to them in the Utility's Policy and Guidelines for Parallel Installation and Operation.

2. **PARALLEL OPERATION**
Customer shall not commence parallel operation of the generating facility until written approval of the interconnection facilities has been given by Utility. Such approval shall not be unreasonably withheld. Utility shall have the right to have representatives present at the initial testing of Customer's protective apparatus and receive a copy of the inspection from the State Electrical Division pursuant to Nebraska law.

3. **INTERCONNECTION COSTS**
The Utility has estimated the costs, including overheads, for the purchase and construction of necessary System Upgrades to its Distribution System and has provided a detailed itemization of such costs on the attached document entitled "System Upgrade Estimated Costs". The Customer agrees to pay the costs upon receipt of the Utility's invoice within the timeframe indicated on the invoice. The diagram below shows the interconnection and metering requirements, ownership and responsibilities of the Parties.



4. BILLING OF NET EXCESS ENERGY

Customer Generators of greater than 25 kW-AC will be paid at the Utility's avoided cost rate for all excess energy (net excess energy) delivered to the Utility and will pay for all energy delivered to the customer at the Utility's retail rate. Customer Generators of 25 kW-AC or less will be paid at the Utility's avoided cost rate for the net excess energy

delivered to the Utility. Net excess energy for Customer Generators of 25 kW-AC or less will be determined as the net amount of energy, if any, by which the output of the facility exceeds a customer-generator's total electricity requirements during a billing period. The Utility shall provide net metering for Customer Generators of 25 kW-AC or less, to the extent required by Nebraska law.

Nebraska Revised Statutes §70-2001 to §70-2005 as may be amended provide among other things the following rules for compensation for net metering (relevant excerpts are shown below):

70-2002. Terms Defined:

(6) Net metering means a system of metering electricity in which a local distribution utility:

(a) Credits a Customer Generator at the applicable retail rate for each kilowatt-hour produced by a Qualified Facility during a billing period up to the total of the Customer Generator's electricity requirements during that billing period. A Customer Generator may be charged a minimum monthly fee that is the same as other noncustomer-generators in the same rate class but shall not be charged any additional standby, capacity, demand, interconnection, or other fee or charge; and

(b) Compensates the Customer Generator for net excess generation during the billing period at a rate equal to the local distribution utility's avoided cost of electric supply over the billing period. The monetary credits shall be applied to the bills of the Customer Generator for the preceding billing period and shall offset the cost of energy owed by the Customer Generator. If the energy portion of the Customer Generator's bill is less than zero in any month, monetary credits shall be carried over to future bills of the Customer Generator until the balance is zero. At the end of each annualized period, any excess monetary credits shall be paid out to coincide with the final bill of that period.

70-2003:

(4) Subject to the requirements of sections [70-2001](#) to [70-2005](#) and the interconnection agreement, a local distribution utility shall provide net metering to any customer-generator with a qualified facility. The local distribution utility shall allow a customer-generator's retail electricity consumption to be offset by a qualified facility that is interconnected with the local distribution system. A qualified facility's net excess generation during a billing period, if any, shall be determined by the local distribution utility in accordance with section [70-2002](#) and shall be credited to the customer-generator at a rate equal to the local distribution utility's avoided cost of electricity supply during the billing period, and the monetary credits shall be carried forward from billing

period to billing period and credited against the customer-generator's retail electric bills in subsequent billing periods. Any excess monetary credits shall be paid out to coincide with the final bill at the end of each annualized period or within sixty days after the date the customer-generator terminates its retail service.

(5) A local distribution utility shall not be required to provide net metering to additional customer-generators, regardless of the output of the proposed generation unit, after the date during a calendar year on which the total generating capacity of all customer-generators using net metering served by such local distribution utility is equal to or exceeds one percent of the capacity necessary to meet the local distribution utility's average aggregate customer monthly peak demand forecast for that calendar year.

The Electric Wholesale Supplier (EWS) for the Utility is the Municipal Energy Agency of Nebraska (MEAN). For a Generating Facility of 100 kW-AC or less: the EWS' current standard avoided cost rate, with adjustment noted below for losses, is the Utility's standard avoided cost rate that will be used to determine the monetary credits of the Customer's net excess energy month to month. See the Appendix, as amended from time to time. The net excess kWh will be multiplied by a loss factor of 0 representing the average distribution losses at the secondary level. If the Customer generator is metered at the primary voltage level the net excess kWh will be multiplied by a factor of 0. For a Generating Facility of more than 100 kW-AC, the compensation rate will be determined on a case-by-case basis.

Utility may at its sole discretion elect to assign to EWS the Utility's rights to purchase any or all net excess output from the Generating Facility.

5. INTERRUPTION OR REDUCTION OF DELIVERIES

Utility may require Customer to interrupt or reduce deliveries and/or automatically isolate the facility from the electrical system when the Utility determines, in its sole discretion, that curtailment, interruption or reduction is necessary because of personnel safety, emergencies, Force Majeure or compliance with good utility practices. Notwithstanding any provision to the contrary in this Agreement, the Utility has the right to immediately disconnect the Generating Facility connection without advance notice or liability if the Customer Generating Facility connection poses a risk to the Customer, Utility employees, other customers or the general public.

6. ADVERSE OPERATING EFFECTS

The interconnection of the customer-owned Generating Facility shall not reduce the reliability and quality of the Distribution System. This includes, but is not limited to high levels of harmonics, abnormal voltage fluctuations and excessive frequency deviations. The Utility shall notify the Customer as soon as practicable if, based on Good Utility Practice, operation of the Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the

Generating Facility could cause damage to the Utility's Distribution System. If, after notice, the Customer fails to remedy the adverse operating effect within a reasonable time, the Utility may disconnect the Generating Facility. Nothing in this Section 6 shall limit the right of the Utility under Section 5 to immediately disconnect the Generating Facility under the conditions listed. The Utility shall provide the Customer with notice of such disconnection as provided in the Utility's Service Policies.

7. ACCESS TO PREMISES

Utility shall have access to the Customer's premises or property.

8. INDEMNITY AND LIABILITY

Each Party shall at all times indemnify, defend, and hold the other Party and its directors, officers, employees and agents, and the EWS and its directors, officers, employees, and agents, 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 indemnifying Party's action or failure to meet its obligations under this Agreement.

9. CONSEQUENTIAL DAMAGES

Other than as expressly provided for in this Agreement, no Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

10. GOVERNING LAW

This Agreement shall be interpreted and governed under the laws of the State of Nebraska.

11. DOCUMENTS

The Agreement includes the following documents, which are attached and incorporated by reference:

- A. Application for Interconnection
- B. System Upgrade Estimated Costs
- C. Certificate of Completion

12. NOTICES

All written notices shall be directed as follows:

UTILITY: City of Syracuse
495 Midland Street
Syracuse, NE 68446
cityclerk@syracusene.com

CUSTOMER: Name _____
Address _____
City _____
Email _____

EWS: OPPD
935 11th Street
Syracuse, NE 68446

13. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer and Utility and shall remain in effect thereafter month to month unless terminated by either Party on thirty (30) days prior written notice and in accordance with the Service Policies.

[SIGNATURE PAGE FOLLOWING]

IN WITNESS WHEREOF, the Parties hereto have caused two originals of the Customer-Owned Generation Facilities Interconnection Agreement to be executed by their duly authorized representatives.

This Agreement is effective as of the last date set forth below.

(CUSTOMER)

City of Syracuse, Nebraska

Signature _____

Signature _____

Print Name _____

Print Name _____

Title _____

Title _____

Date _____

Date _____