

**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION
OF DISTRIBUTED GENERATION**

This Interconnection Agreement (“Agreement”) is made and entered into this _____ day of _____, 20___, by Medina Electric Cooperative, Inc. (“MEC”), and _____ (“Member”), each hereinafter sometimes referred to individually as “Party” or both referred to collectively as the “Parties”.

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** – This Agreement sets forth the conditions under which MEC and the Member agree that a generating facility of one (1) megawatt (MW) or less (“Facility”) may be interconnected to MEC’s electric distribution system (the “MEC System”), subject at all times to the rules, regulations, tariffs, and by-laws of MEC, as the same are amended from time to time (collectively, the “Rules”). In the event of a conflict between this Agreement and any MEC tariff, the provisions of the applicable tariff shall control.
2. **Establishment of Point(s) of Interconnection** – MEC and Member agree to interconnect the Facility at a demarcation point which shall be a meter installed by MEC which measures the in flow and out flow of electric energy (“Point of Interconnection”). Member further agrees to interconnect the Facility in accordance with the Rules.
3. **Responsibilities of Company and Customer** – The Member shall, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, the Facility. Member shall operate the Facility in compliance with all aspects of the Rules and all applicable governing laws and regulations. Member shall maintain the Facility in accordance with the applicable manufacturer’s recommended maintenance schedule. The Member agrees to cause the Facility to be constructed in accordance with specifications equal to or greater than those provided or approved by the National Electrical Safety Code and the National Electrical Code in effect at the time of construction.

The Member agrees to design, install, maintain, and operate the Facility so that no disturbance, originating in the system of the Member, shall affect or impair the MEC System. Member’s obligation under this provision to prevent any disturbance exists regardless of whether Member receives notice of a disruption from MEC; however, in the event that MEC notifies Member that the Facility is causing disruption or deterioration of service to other customers served from the same grid or that the Facility is causing damage to MEC facilities, Member shall immediately remedy the problem.

Member will immediately notify MEC of any emergency or hazardous condition or occurrence with the Facility which could affect safe operation of the MEC System.

4. Limitation of Liability and Indemnification

- a. The Member shall assume all liability for and shall indemnify and hold harmless MEC and its members, trustees, directors, officers, managers, employees, agents, representatives, affiliates, and successors and assigns from and against any claims, losses, costs, and expenses of any kind or character to the extent that they result from the Member's negligence, wrongful conduct, or equipment failure in connection with the design, construction, installation, operation, or maintenance of the Facility. Such indemnity shall include, but is not limited to, financial responsibility for (a) monetary losses; (b) reasonable costs and expenses of defending an action or claim; (c) damages related to death or injury; (d) damages of property; and (e) damages for the disruption of business.
- b. MEC and Member shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines, wires, switches and other equipment or property on their respective sides of the Point of Interconnection. MEC does not assume any duty of inspecting the Customer's lines, wires, switches, or other equipment and will not be responsible therefore.
- c. The Member shall provide notice to MEC when the Facility is ready to be energized and MEC personnel shall inspect and, if deemed in compliance with all Rules, shall energize the Facility.
- d. The Facility shall be equipped by Member with protective features designed to prohibit connection to a de-energized electrical circuit owned and operated by MEC.
- e. A manual lockable disconnect must be installed by the Member between the Facility and the MEC System as more specifically described in the Rules.

5. Right of Access and Inspection – MEC may send an employee, agent or contractor to the premises of the Member at any time to inspect the interconnection and to observe the Facility's commissioning (including any testing), startup, or operation.

MEC shall have access to Member's premises to inspect the Facility to insure compliance of the obligations described by this Agreement and the Rules.

6. Disconnection of Unit – Member retains the option to disconnect the Facility from MEC provided that the Member notifies MEC of its intent to disconnect by giving at least thirty (30) days prior written notice. Such disconnection shall not be a termination of the Agreement unless Customer exercises rights under Section 7.

Member shall disconnect the Facility from the MEC System upon the effective date of any termination under Section 7.

MEC shall have the right at its sole discretion to suspend service in cases where service to

the Facility will endanger persons or property or affect the integrity of the MEC System. Any decision to suspend services will be made on a nondiscriminatory case by case basis. During any planned outage of the MEC System, MEC shall have the right to suspend use of the Facility and to disconnect or cause the Member to disconnect the Facility while MEC performs repairs on the MEC System.

- 7. Effective Term and Termination Rights** – This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. The Agreement may be terminated for the following reasons: (a) Member may terminate at any time by giving MEC at least sixty (60) days written notice; (b) MEC may terminate upon failure by the Member to generate energy from the Facility within six (6) months after completion of the interconnection; (c) either Party may terminate by giving the other Party at least sixty (60) days prior written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and the defaulting Party does not cure the default within such sixty (60) day period; or (d) MEC may terminate by giving Customer at least sixty (60) days notice in the event that there is a material change in any applicable rule or statute.

- 8. Governing Law and Regulatory Authority** – This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties’ obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

- 9. Amendment** – This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

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

Medina Electric Cooperative, Inc.	Member
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____