

OMLP NET- METERING POLICY



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INTRODUCTION

These Net-Metering Rules are intended to assist customers who desire to construct their own renewable energy facilities while protecting customers who wish to avoid cost increases that may result from renewable energy subsidies. In addition to balancing affordability and renewable energy, these Rules support and reaffirm OMLP's longstanding commitment to the safe and reliable operation of our local electric distribution system.

These Rules were prompted by changes in law applicable to net-metering applicable to all utilities in Arkansas. In many ways, they are similar to regulations approved by the Arkansas Public Service Commission ("APSC") after extensive public hearings and argument. While the APSC lacks jurisdiction over OMLP, many of the arguments that were raised during hearings before the APSC were considered in the development of these Rules.

SECTION 1. GENERAL PROVISIONS

Rule 1.01. DEFINITIONS

Avoided Costs

The costs to OMLP of electric energy, capacity, and similar costs that, but for the generation of electricity by a customer, OMLP would be required to generate or purchase from another source.

Billing Period

The billing period for net metering will be the same as the billing period under the customer's applicable standard rate schedule.

Biomass Resource

An electric generator powered by one or more organic fuel sources that can either be processed into synthetic fuels or burned directly, provided that the resources are renewable, environmentally sustainable in their production and use, and the process of conversion to electricity results in a net environmental benefit. This includes, but is not limited to, dedicated energy crops and trees, agricultural food and feed crops, agricultural crop wastes and residues, wood wastes and residues, aquatic plants, animal wastes, and other accepted organic, renewable waste materials.

Council

The Osceola City Council, empowered to own, manage, operate, and regulate OMLP under the authority of Ark. Code Ann. §§ 14-54-701, et seq., and 14-200-112.

Distributed Generation Facility

The real and personal property comprising an electric generation resource that:

1. Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity, including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources;
2. Does not qualify for Net-Metering;
3. Has a generating capacity (kW) that does not exceed the Distributed Generation Customer's lowest monthly peak (kW);
4. Will not generate more energy (kWh) than is consumed by the Distributed Generation Customer during a Billing Period;
5. Is located in the OMLP service territory;
6. Can operate in parallel with OMLP's existing transmission and distribution facilities; and
7. Is primarily intended to advance the Distributed Generation Customer's renewable energy goals and offset the Distributed Generation Customer's cost of electricity.

Distributed Generation Customer

The owner of a Distributed Generation Facility.

Fuel Cell Facility

A facility that converts the chemical energy of a fuel directly to direct current electricity without intermediate combustion or thermal cycles.

Geothermal Resource

An electric generator powered by a steam turbine. The steam is generated in the earth by heat from the earth's magma.

Hydroelectric Resource

An electric generator powered by a water wheel. The water wheel is driven by falling water.

Illegal Facility

Means any generating facility that is connected to OMLP's distribution system without a permit or proper authority.

Interconnecting Customer

Either a Net Metering Customer or a Distributed Generation Customer.

Interconnecting Facility

Either a Net-Metering Facility or a Distributed Generation Facility.

Micro Turbine Resource

An electric generator powered by a small combustion turbine.

Net Excess Generation

The amount of electricity that a net metering customer has fed back to OMLP, in which exceeds the amount of electricity used by that customer during the applicable period.

Net Excess Generation Credits

Uncredited customer generated kilowatt hours remaining in a Net-Metering Customer's account at the close of a Billing Period to be credited, or, purchased by OMLP in a future Billing Period in accordance with this regulation.

Net Metering

Measuring the difference between electricity supplied by OMLP and the electricity generated by a net metering customer and fed back to OMLP over the applicable billing period.

Net Metering Customer

An owner of a Net -Metering Facility.

Net Metering Facility

A facility for the production of electrical energy that:

- (A) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources; and,
- (B) Has a generating capacity of not more than ten kilowatts (10kW) or one hundred percent (100%) of the net-metering customer's highest monthly usage in the previous twelve (12) months for residential use or one hundred (100) kilowatts for non-residential use; and,
- (C) Is a OMLP retail electric customer paying normal OMLP rates; and,
- (D) Can operate in parallel with OMLP's existing distribution facilities; and,
- (E) Is intended primarily to offset part or all of the net metering customer requirements for electricity.

Osceola Municipal Light & Power (OMLP)

Osceola Municipal Light & Power of the City of Osceola (Arkansas), which is a municipal utility.

Parallel Operation

The operation of on-site generation by a customer while the customer is connected to the utility's distribution system.

Qualifying Facility

A cogeneration facility or a small power production facility which meets qualifying status under the cogeneration rules adopted by the Arkansas Public Service Commission pursuant to the Public Utility Regulatory Policies Act of 1978 ("PURPA") and the rules and regulations of the Federal Energy Regulatory Commission promulgated under that Act.

Renewable Energy Credit

The environmental, economic and social attributes of a unit of electricity, such as a Megawatt hour, generated from renewable fuels that can be sold or traded separately.

Residential Customer

A customer served under OMLP's standard rate schedules applicable to residential service.

Solar Resource

An electric generator powered by the collection, transfer and or storage of the sun's heat or light.

Wind Resource

An electric generator powered by a wind-driven turbine.

Rule 1.02. Purpose and Name

The purpose of this policy is to establish rules for net energy metering and interconnection. This policy, which contains such rules, shall be named the Osceola Municipal Light & Power Net- Metering Policy.

Rule 1.03. OMLP Board Regarding OMLP Net Metering Policy

The Osceola Municipal Light & Power Net Metering Policy (the “Policy”) shall be established upon approval of said Policy by Osceola City Council Members (the “Board”), and any future modifications of the Policy are subject to the approval of the Board. Upon approval by the City Council, OMLP management and staff will be charged with carrying out the Policy. The OMLP Manager, or the Manager’s assignee, shall be the ultimate authority for interpretation and rulings pertaining to the Policy.

Rule 1.04. Other Provisions

- A. The Policy is not intended to and does not affect or replace any other OMLP Board-approved policy, procedure, rule, or service application which addresses items other than those covered in this Policy.
- B. Net metering customers taking service under the provisions of the Policy may not simultaneously take service under the provisions of any other alternative source generation or cogeneration policies and/or rates except as provided herein.

Rule 1.05 Prohibited Conduct

A. The interconnection of an Illegal Facility is hazardous to OMLP’s employees and others. The interconnection of an Illegal Facility with OMLP’s distribution system is declared to be a violation that is continuous in nature. Any person who owns, operates, maintains, or connects an Illegal Facility shall be punished by a fine of not less than two hundred fifty dollars (\$250.00) per day nor more than five hundred dollars (\$500.00) per day while such Illegal Facility is connected to OMLP’s distribution system.

B. Except as described in Rule 1.07A, violations of this ordinance are declared to be detrimental to the public welfare. Any person violating a provision of this ordinance other than Rule 1.07A shall be punished by a fine of not less than two hundred fifty dollars (\$250.00) nor more than one thousand dollars (\$1,000.00), and twice such amounts for a repeated violation.

C. In addition to all other remedies available, OMLP may completely disconnect (load and generation) any person or customer who owns, operates, maintains, or connects an Illegal Facility and keep them disconnected until:

- 1. The Illegal Facility has been dismantled or a proper application for connection has been submitted to OMLP; and

2. The customer has paid a reconnection fee of two hundred fifty dollars (\$250.00) per location disconnected pursuant to this Rule 1.07.

Rule 1.06 Grandfathering

A. A customer who installed a Net Metering Facility prior to the adoption of these rules may continue to operate under the rules that were effective at the time of installation for twenty (20) years following the installation of the Net Metering Facility or ten (10) years following the adoption of these Rules, whichever ends soonest.

SECTION 2. NET METERING REQUIREMENTS

Rule 2.01. Osceola Municipal Light & Power Requirements

OMLP shall allow net metering facilities to be interconnected using an approved meter capable of registering the flow of electricity in two (2) directions.

Rule 2.02. Metering Requirements

- A. Metering equipment shall be installed to both accurately measure the electricity supplied by OMLP to each net metering customer and also to accurately measure the electricity generated by each net metering customer that is fed back to OMLP over the applicable billing period. If non-standard metering equipment is required, the customer is responsible for the cost differential between the required metering equipment and the utility's standard metering equipment for the customer's current rate schedule.
- B. Accuracy requirements for both forward and reverse registration modes shall be in accordance with then-current OMLP standards for meter accuracy and testing. A test to determine compliance with this accuracy requirement shall be made by OMLP either before or at the time the net metering facility is placed in operation in accordance with this Policy.

Rule 2.03. New or Additional Charges

- A. OMLP may assess a net metering customer a greater fee or charge, of any type, if OMLP's costs of interconnection and administration of net metering outweigh the distribution system, environmental and public policy benefits of allocating the costs among OMLP's entire electric customer base. This may be done at the sole discretion of OMLP.

Rule 2.04. Billing for Net Metering

- A. On a monthly basis, the net-metering customer shall be billed the charges applicable under the currently effective standard rate schedule and any appropriate rider schedules. Under net-metering, only the kilowatt-hour (kWh) units of a customer's bill are netted.

- B. If the kWhs supplied by OMLP exceed the kWhs generated by the net metering facility and fed back to OMLP during the billing period, the net-metering customer shall be billed for the net kWhs supplied by OMLP in accordance with the rates and charges under the customer's standard rate schedule.
- C. If the kWhs generated by the net-metering facility and fed back to OMLP exceed the kWhs supplied by OMLP to the net-metering customer during the applicable billing period, OMLP shall credit the net-metering customer with any accumulated net excess generation in the next applicable billing period, month-to-month, until the close of the annual billing cycle, at which time any net excess generation credit shall expire and shall zero out.

Rule 2.05 Renewable Energy Credits

Any renewable energy credit created as a result of electricity supplied by a net metering customer is the property of the net metering customer that generated the renewable energy credit.

Rule 2.06 Generation above Net Metering Limits

Net-Metering shall not be used in conjunction with any generation facility having greater capacity than the limits of Net-Metering Facilities. Any customer who desires to install solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity (including, but not limited to, fuel cells and micro turbines that generate electricity entirely from renewable resources) that have a cumulative generating capacity greater than the limits of the Net-Metering Facilities, may apply to install a Distributed Generation Facility.

SECTION 3. DISTRIBUTED GENERATION REQUIREMENTS

Rule 3.01 OMLP Requirements

OMLP may allow Distributed Generation Facilities to be interconnected using separate meters for load and generation. OMLP will not allow a Distributed Generation Facility to be interconnected using a meter that measures both electric consumption and generation. OMLP will not allow a Distributed Generation Facility to be interconnected that will jeopardize reliability of the distribution system, back feed electricity on the bulk electric system, or otherwise the rights and obligations of OMLP.

Rule 3.02 Metering Requirements

A. Separate meters shall be installed to accurately measure the electricity supplied by OMLP to each Distributed Generation Customer and to accurately measure the electricity generated by each Distributed Generation Customer that is fed to OMLP. The customer is responsible for the cost of the additional meter used to measure generation.

B. Accuracy requirements for meters shall be in accordance with then-current OMLP standards for meter accuracy and testing. A test to determine compliance with this accuracy requirement shall be made by OMLP either before or at the time the Distributed Generation Facility is placed in operation.

Rule 3.03 Distributed Generation Application

A. A customer may file an application with OMLP to install a Distributed Generation Facility so long as the proposed Distributed Generation Facility: (1) will have a generating capacity (kW) that does not exceed the Distributed Generation Customer's annual average load; and (2) will not generate more electricity (kWh) than is consumed by the Distributed Generation Customer during any Billing Period.

B. The application shall, at a minimum, include:

1. A description of the proposed Distributed Generation Facility including:
 - a. Project narrative;
 - b. Project location (street address and coordinates);
 - c. Generator type (wind, solar, hydro, etc.);
 - d. Generator rating in kW (DC or AC);
 - e. Capacity factor;
 - f. Point of interconnection with OMLP;
 - g. Single Phase or Three Phase interconnection;
 - h. Planned method of interconnection consistent with Rule 4.01.B;
 - i. Expected facility performance calculated using an industry recognized simulation model (PVWatts, etc);
2. Evidence that the Distributed Generation Facility: (1) will have a generating capacity (kW) that does not exceed the Distributed Generation Customer's annual average load; and (2) will not generate more electricity (kWh) than is consumed by the Distributed Generation Customer during any Billing Period. Evidence will be in the form of:
 - a. The monthly electric bills for the 12 months prior to filing the Distributed Generation application, or
 - b. in the absence of historical data, reasonable estimates for the class and character of service may be made;
3. A copy of the Preliminary Interconnection Review Request, with applicable fees, submitted to OMLP and the results of OMLP's interconnection site review.

Rule 3.04 Billing for Distributed Generation

A. On a monthly basis, each Distributed Generation Customer shall be billed all charges applicable under the currently effective standard rate schedule and any appropriate rider schedules.

B. On a monthly basis, OMLP shall credit at OMLP's estimated annual average Avoided Cost rate, all kWhs supplied to OMLP by a Distributed Generation Customer, provided that OMLP shall not, during any Billing Period, purchase more kWhs of electricity than is consumed by the Distributed Generation Customer.

C. OMLP shall not provide credits or make payments to any Distributed Generation Customer with a delinquent account or that ceases to consume electricity.

Rule 3.05 Location

Distributed Generation Facilities will typically be collocated with a Distribution Generation Customer's load within the service territory of OMLP. Customers that own Distributed Generation Facilities that are not collocated with the customer's load must pay applicable wheeling charges to OMLP.

Rule 3.06 Renewable Energy Credits

Any Renewable Energy Credit created as a result of electricity supplied by a Distributed Generation Customer is the property of the Distributed Generation Customer that generated the Renewable Energy Credit.

**SECTION 4. INTERCONNECTION OF NET METERING FACILITIES TO
OMLP ELECTRIC POWER SYSTEM**

Rule 4.01 Requirements for Preliminary Interconnection Review Request

A. An Interconnecting Customer shall execute a Preliminary Interconnection Review Request (Appendix A) and pay the designated application fee at least sixty (60) days prior to the date the customer intends to commence construction of the Interconnecting Facilities, and construction shall not commence until approved. Part A, Standard Information, Sections 1 through 3 of the Preliminary Interconnection Review Request must be completed for the notification to be valid. If mailed, the date of notification shall be the third day following the mailing of the Preliminary Interconnection Review Request. OMLP shall provide a copy of the Preliminary Interconnection Review Request to the customer upon request.

B. Following notification by the customer as specified in Rule 4.01.A. OMLP will seek to review the plans of the facility interconnection and provide the results of its review to the customer, in writing, within 30 calendar days. Any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

C. Approval of a preliminary interconnection review is valid for one calendar year. Approval does not relieve a customer from other regulations governing permitting, construction, operation, lawful uses of property, and the like. Preliminary interconnection review is only performed on existing data and does not require OMLP to conduct a study or other analysis of the proposed interconnection site in the event that data is not readily available. Additional data or changes in data may invalidate approval of a preliminary interconnection review.

D. The preliminary interconnection review does not relieve the customer of the requirement to: (1) comply with applicable land use, zoning, control of development and building regulations; and (2) execute a Standard Interconnection Agreement prior to interconnection of the facility.

Rule 4.02. Requirements for Initial Interconnection

A. Interconnecting Customers shall execute a Standard Interconnection Agreement prior to interconnection with OMLP's facilities.

B. Interconnecting facilities shall be capable of operating in a parallel and safely commencing the delivery of power into the utility system at a single point of interconnection. To prevent an Interconnecting Customer from back-feeding a de-energized line, Interconnecting Facilities shall have a visibly open, lockable, and manual disconnect switch which is accessible by OMLP and clearly labeled. In addition, the Interconnecting Customer's equipment shall meet the following conditions: 1) The inverter equipment must be designed to shut down or disconnect and cannot be manually overridden by the customer upon loss of OMLP service; 2) The inverter must be warranted by the manufacturer to shut down or disconnect upon loss of utility service; and 3) The inverter must be properly installed and operated, and inspected or tested by utility personnel.

C. The customer shall submit a Standard Interconnection Agreement to OMLP at least sixty (60) days prior to the date the customer intends to interconnect the net metering facilities to OMLP's facilities. The Standard Interconnection Agreement must be completed in full and to OMLP's satisfaction. Failure to do so may result in OMLP denying the interconnection until a valid completed Standard Interconnection Agreement is submitted and the normal review process is completed. The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement. OMLP will provide a copy of the Standard Interconnection Agreement to the customer upon request.

D. Following notification via submittal of a complete Standard Interconnection Agreement by the customer as specified in Rule 3.02.C, OMLP shall review the plans of the facility and provide the results of its review to the customer within 30 days. Any item that would prevent parallel operation due to violation of safety standards and/or power generation limits shall result in OMLP's denial of interconnection by the facility until the plans are modified to address the identified items.

E. The net metering facility, at the net metering customer's expense, shall meet safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL), and, at OMLP's discretion, may require periodic inspections by the customer's professional installer or other knowledgeable source acceptable to OMLP and proof of such inspections to OMLP.

F. The net metering facility, at the net metering customer's expense, shall meet all safety and performance standards adopted by OMLP and pursuant to the OMLP Net Metering

Policy that are necessary to assure safe and reliable operation of the net metering facility to OMLP's system.

- G. The Interconnecting Customer shall execute a Standard Interconnection Agreement (Appendix B) and pay the designated interconnection fee prior to connecting to the OMLP Distribution System.

Rule 4.03 Requirements for Commissioning Test and Report.

A. A commissioning test and report shall be performed by the installation contractor of the Interconnecting Facility. The tests described in this Rule 3.03 must be documented and performed by using written test procedures established by the manufacturer(s) of the interconnecting equipment. At a minimum the following tests and their results must be documented in a report and submitted to OMLP prior to OMLP's final inspection.

1. *Visual Inspection.* A visual inspection shall be made to ensure that the grounding scheme of the interconnection shall not cause overvoltage's that exceed the rating of the equipment connected to OMLP's Distribution System and shall not disrupt the coordination of the ground fault protection on OMLP's Distribution System. The visual inspection must confirm the presence of the isolation device if required in 3.01 B.

2. *Performance Tests.* The following commissioning tests shall be performed on the installed Interconnecting Facility and interconnection system equipment prior to the initial parallel operation of the Interconnecting Facility. The following are required:

- a. Operability test on the isolation device mentioned in 3.01B.
- b. Unintentional Islanding functionality as specified in IEEE 1547 Clause 5.4.1.
- c. Cease to energize functionality as specified in IEEE 1547 Clause 5.4.2.
- d. Any tests of IEEE 1547 Section 5.1 that have not been previously performed on a representative sample and formally documented. These are tests that should be completed by the manufacturer of the Interconnecting Facility equipment and submitted as part of the report for the Commissioning test to OMLP. For reference these include Clauses 5.1.1 thru 5.1.6 in the IEEE Standard 1547:
 - (i) Response to abnormal voltage and frequency;
 - (ii) Synchronization;
 - (iii) Interconnect Integrity test;
 - (iv) Unintentional islanding;
 - (v) Limitation of DC injection; and
 - (vi) Harmonics.

- e. Any tests of IEEE 1547 Section 5.2 that have not been previously performed on the interconnection systems. These tests are the same response to abnormal voltage and frequency and synchronization tests listed previously covered in IEEE Standard 1547 Clause 5.1.1 and 5.1.2.

Rule 4.04. Requirements for Modifications or Changes to a Net Metering Facility

Modifications or changes made to a net metering facility shall be evaluated by OMLP prior to being made. The net metering customer shall provide detailed information describing the modifications or changes to OMLP in writing prior to making the modifications to the net metering facility. OMLP reserves the right to deny the modifications if the information provided by the customer is deemed incomplete in OMLP's sole discretion. If provided information is deemed complete by OMLP, OMLP shall review the proposed changes to the facility and provide the results of its evaluation to the customer within thirty (30) days of receipt of the customer's proposal. Any items that would prevent parallel operation due to violation of safety standards and/or power generation limits shall result in OMLP's denial of interconnection by the facility until the plans are modified to address the identified items.

Rule 4.05. Requirement for New Customer at Location to Comply with Registration

When an existing net metering customer leaves a net metering location on OMLP's system, the new customer at that location will be required to comply with the OMLP Net Metering Policy, as well as all other applicable OMLP customer policies. When the existing net metering customer leaves a net metering location, it is that net metering customer's sole responsibility to inform the purchaser that the location is a net metering location and that OMLP's Net Metering Policy must be followed.

Rule 4.06 Requirements for Periodic testing.

The customer shall complete a visual inspection of the Interconnecting Facility and conduct a Cease to Energize functionality test every year on or before the anniversary of the Interconnecting Facility's initial approval by OMLP. The customer shall also perform any other periodic tests as recommended by the manufacturer(s) of the Interconnecting equipment. The customer shall have these tests performed by a qualified individual, keep a log of the inspection and the results, and submit this log to OMLP upon completion every year. OMLP may elect to witness these tests at its own discretion to ensure that the tests are being completed. OMLP may perform an inspection or test of any Interconnecting Facility at intervals of no less than three (3) years, or upon the reasonable belief of a safety or operational risk, at the expense of the Interconnecting Facility Owner.

SECTION 5. FORMS AND REPORTING

Rule 5.01 **Standard Forms**

Typical standard agreements used by OMLP for interconnection are attached as annexes to these Rules as the Preliminary Interconnection Site Review Request (Appendix A) and the Standard Interconnection Agreement (Appendix B). The Osceola Mayor may administratively update or improve these forms from time-to-time, in a manner consistent with this regulation.

Rule 5.02 **Reporting Requirements**

A report shall periodically made to the Council describing the number of facilities interconnected with the OMLP distribution system.

PRELIMINARY INTERCONNECTION REVIEW REQUEST

A. Standard Information

1. Customer Information:

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Email: _____

Project Manager/Contractor: _____

Phone Number: _____ Email: _____

2. Generation Facility Information:

Location (if different from above): _____

Expected Point of Interconnection: _____

System Type (select one): ☐ Solar ☐ Wind ☐ Hydro ☐ Biomass

☐ Fuel Cell ☐ Micro Turbine ☐ Geothermal

Generator Type: ☐ Single Phase -or- ☐ Three Phase

Report data below in Alternating Current (AC).

Expected Generator Power Rating (kW): _____

Expected Annual Energy Production (kWh): _____

3. Interconnection Information

Attach a detailed electrical diagram showing the configuration of all generating facility equipment, including protection and control schemes.

Requested Point of Interconnection: _____

Customer-Site Load (kW) at Net-Metering Facility location (if none, so state): _____

Interconnection Request: ☐ Single Phase -or- ☐ Three Phase

NOTICE TO DISTRIBUTED GENERATION OWNERS

OMLP PROHIBITS CUSTOMERS FROM CONSTRUCTING DISTRIBUTED GENERATION FACILITIES THAT HAVE A GENERATING CAPACITY (KW) THAT IS GREATER THAN THE CUSTOMER'S ANNUAL AVERAGE LOAD, OR WITH ELECTRIC PRODUCTION (KWH) THAT EXCEEDS THE CUSTOMER'S USAGE DURING ANY BILLING PERIOD. OMLP IS PROHIBITED FROM COMPENSATING A DISTRIBUTED GENERATION OWNER FOR ELECTRIC PRODUCTION (KWH) THAT EXCEEDS THE CUSTOMER'S USAGE DURING ANY BILLING PERIOD.

B. Preliminary Interconnection Terms & Conditions

1. *Requirements for Request.* For the purpose of requesting that OMLP conduct a preliminary interconnection site review for a proposed Interconnecting Facility, or as otherwise requested by the customer, the customer shall notify OMLP by submitting a completed Preliminary Interconnection Site Review Request. The customer shall submit a separate Preliminary Interconnection Site Review Request for each point of interconnection if information about multiple points of interconnection is requested. Part A, Standard Information, Sections 1 through 3 of the Preliminary Interconnection Site Review Request must be completed for the notification to be valid. If mailed, the date of notification shall be the third day following the mailing of the Preliminary Interconnection Site Review Request. OMLP shall provide a copy of the Preliminary Interconnection Site Review Request to the customer upon request.

2. *Review by OMLP.* Following submission of the Preliminary Interconnection Site Review Request by the customer, OMLP will seek to review the plans of the facility interconnection and provide the results of its review to the customer, in writing, within 30 calendar days. If the customer requests that multiple interconnection site reviews be conducted OMLP will make reasonable efforts to provide the customer with the results of the review within a timely fashion. If OMLP cannot provide results within 90 days, OMLP will provide the customer with an estimated date by which it will complete the review. Any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

3. *Nonbinding Report.* The preliminary interconnection site review is non-binding and need only include existing data and does not require OMLP to conduct a study or other analysis of the proposed interconnection site in the event that data is not readily available. OMLP shall notify the customer if additional site screening may be required prior to interconnection of the facility. The customer shall be responsible for the actual costs for conducting the preliminary interconnection site review and any subsequent costs associated with site screening that may be required.

4. *Standard Interconnection Agreement.* The preliminary interconnection site review does not relieve the customer of the requirement to execute a Standard Interconnection Agreement prior to interconnection of the facility.

I hereby certify that, to the best of my knowledge, all of the information provided in this Preliminary Interconnection Site Review is true and correct and that I am authorized to execute this document on behalf of the Customer identified in Part A, Section 1.

CUSTOMER

Signature: _____

Printed Name: _____

Date: _____

FOR OMLP USE ONLY

☐ **APPROVED**

☐ **DISAPPROVED**

Signature _____ Date: _____

STANDARD INTERCONNECTION AGREEMENT

A. Standard Information

1. Customer Information:

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Email: _____

Electric Account Number to which the Net-Metering Facility is attached: _____

2. Generation Facility Information:

Location (if different from above): _____

System Type (select one): ☐ Solar ☐ Wind ☐ Hydro ☐ Biomass
☐ Fuel Cell ☐ Micro Turbine ☐ Geothermal

Generation Type: ☐ Single Phase -or- ☐ Three Phase

Report data below in Alternating Current (AC).

Generation Power Rating (kW): _____ Capacity Factor: _____

Inverter Manufacturer: _____ Inverter Model: _____

Inverter Power Rating (kW) _____

Inverter Location: _____

Manual Disconnect Location: _____

Attach a detailed electrical diagram of the Net-Metering Facility

3. Installation Information

Electrical Contractor: _____ License Number: _____

Installed by: _____ Qualifications/Credentials: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Phone Number: _____ Email: _____

4. Certification & Approval

This system has been installed in compliance with the local Building/Electrical Code of:

☐ Osceola

Inspector Signature: _____ Date: _____

(In lieu of signature of inspector, a copy of the final inspection certificate may be attached)

Facility Interconnection Approved: _____ Date: _____

Metering Facility Verified: _____ Date: _____

B. Interconnection Agreement Terms & Conditions

1. *Customer Assurances.* By executing this document below, Customer assures OMLP that the system has been installed in accordance with OMLP Net Metering and Distributed Generation Rules, that the Customer has been given system warranty information and operation manual, and that Customer has been instructed in the safe operation of the system.

2. *Interruption or Reduction of Deliveries.* OMLP shall not be obligated to accept and may require Customer to interrupt or reduce deliveries when necessary to construct, install, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or if it reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices. Whenever possible, OMLP shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required. Notwithstanding any other provision of this Agreement, if at any time OMLP reasonably determines that either the facility may endanger the OMLP's personnel or other persons or property, or the continued operation of the Customer's facility may endanger the

integrity or safety of OMLP's electric system, OMLP shall have the right to disconnect and lock out Customer's facility from the OMLP's electric system. Customer's facility shall remain disconnected until OMLP is reasonably satisfied that the conditions referenced in this Section have been corrected.

3. *Interconnection.* Customer shall deliver the as-available energy to OMLP at OMLP's meter. OMLP shall furnish and install one standard kilowatt hour meter. Customer shall provide and install a suitable meter socket for OMLP's meter and any related interconnection equipment per OMLP's technical requirements, including safety and performance standards. Distributed Generation Customers are responsible for the cost of the meter to measure generation. Customer shall submit a Standard Interconnection Agreement to OMLP at least sixty (60) days prior to the date the customer intends to interconnect to OMLP's facilities. Part A, Standard Information, Sections 1 through 3 of the Standard Interconnection Agreement must be completed and valid. Customer must have all equipment necessary to complete the interconnection prior to such notification. If

mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement.

4. *Timely Review.* Following submission of the Standard Interconnection Agreement by Customer, OMLP will seek to review the facility plans and provide the results of its review to Customer, in writing, within thirty (30) calendar days. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits will be explained along with a description of the modifications necessary to remedy the violations.

5. *Required Upgrades.* If OMLP's existing facilities are not adequate for interconnection, the Customer shall pay the cost of additional or reconfigured facilities prior to the installation or reconfiguration of the facilities.

6. *Manual Disconnect.* To prevent an Interconnecting Customer from back-feeding a de-energized line, Customer must install a manual disconnect switch with lockout capability that is accessible to OMLP personnel at all hours.

7. *National Safety Standards.* Customer, at his own expense, shall meet all safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).

8. *Local Safety Standards.* Customer, at his own expense, shall meet all safety and performance standards adopted by OMLP that are necessary to assure safe and reliable operation of the Interconnecting Facility to OMLP's system.

9. *Operation Contingent on Inspection and Approval.* Customer shall not commence Parallel Operation of an Interconnecting Facility until the Facility has been inspected and approved by OMLP. Such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, OMLP's approval to operate the Customer's

Interconnecting Facility in parallel with the OMLP's electrical system should not be construed as an endorsement, confirmation, warranty, guarantee, or representation concerning the safety, operating characteristics, durability, or reliability of Customer's Net-Metering Facility.

10. *Modifications or Changes.* Prior to being made, Customer shall notify OMLP of, and OMLP shall evaluate, any modifications or changes to the Interconnecting Facility described in Part A, Standard Information, Section 2 of the Standard Interconnection Agreement. The notice provided by Customer shall provide detailed information describing the modifications or changes to OMLP in writing, including a revised Standard Interconnection Agreement that clearly identifies the changes to be made. OMLP will seek to review the proposed changes to the facility and provide the results of its evaluation to Customer, in writing, within thirty (30) calendar days of receipt of Customer's proposal. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations. If Customer makes such modification without OMLP's prior written authorization and the execution of a new Standard Interconnection Agreement, OMLP shall have the right to suspend all services.

11. *Maintenance and Permits.* Customer shall obtain any governmental authorizations and permits required for the construction and operation of the Interconnecting Facility and related equipment. Customer shall maintain the Interconnecting Facility and related equipment in a safe and reliable manner and in conformance with all applicable laws and regulations.

12. *Access to Premises.* OMLP may enter the Customer's premises to inspect the Customer's protective devices and read or test the meter. OMLP may disconnect the Interconnecting Facilities without notice if OMLP reasonably believes a hazardous condition exists and such immediate action is

necessary to protect persons, or OMLP's facilities, or property of others from damage or interference caused by Customer's facilities, or lack of properly operating protective devices.

13. *Liability and Indemnity.* Neither OMLP, its officers, agents or employees shall be liable for any claims, demands, costs, losses, causes of action, or any other liability of any nature or kind, arising out of the engineering, design, construction, ownership, maintenance or operation of, or the making of replacements, additions or betterment to, or by failure of, Customer's facilities by Customer or any other person or entity. **CUSTOMER SHALL INDEMNIFY THE CITY OF OSCEOLA, ARKANSAS ("CITY"), ITS DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES AGAINST ALL LOSS, DAMAGES, EXPENSE AND LIABILITY TO THIRD PERSONS FOR INJURY TO OR DEATH OF PERSONS OR INJURY TO PROPERTY CAUSED BY CUSTOMER'S ENGINEERING, DESIGN, CONSTRUCTION, OWNERSHIP, MAINTENANCE OR OPERATIONS OF, OR THE MAKING OF REPLACEMENTS, ADDITIONS OR BETTERMENT TO, OR BY FAILURE OF, ANY OF CUSTOMER'S WORKS OR FACILITIES USED IN CONNECTION WITH THIS AGREEMENT BY REASON OF OMISSION OR**

NEGLIGENCE, WHETHER ACTIVE OR PASSIVE. Customer shall, on City's request, defend any suit asserting a claim covered by this indemnity. Customer shall pay all costs that may be incurred by the City in enforcing this indemnity.

14. *Term of Agreement.* This Agreement shall be until modified or terminated in accordance with its terms or applicable ordinances, regulations or other laws.

15. *Assignment.* This Agreement and all provisions hereof shall inure to and be binding upon the respective Parties hereto, their personal representatives, heirs, successors, and assigns. Customer shall not assign this Agreement or any part hereof without the prior written consent of OMLP, and such unauthorized assignment may result in termination of this Agreement.

16. **WARNING.** POSSIBLE RULES OR RATE CHANGES, OR BOTH, THAT AFFECT THE OPERATION OR FINANCIAL FEASIBILITY OF AN INTERCONNECTING FACILITY COULD OCCUR IN THE FUTURE. INTERCONNECTING FACILITY OWNERS ARE ADVISED THAT THEY MUST REMAIN AWARE OF AND COMPLIANT WITH ALL LAWS AND REGULATIONS.

17. NOTICE TO DISTRIBUTED GENERATION OWNERS

OMLP PROHIBITS CUSTOMERS FROM CONSTRUCTING DISTRIBUTED GENERATION FACILITIES THAT HAVE A GENERATING CAPACITY (KW) THAT IS GREATER THAN THE CUSTOMER'S ANNUAL AVERAGE LOAD, OR WITH ELECTRIC PRODUCTION (KWH) THAT EXCEEDS THE CUSTOMER'S USAGE DURING ANY BILLING PERIOD. OMLP IS PROHIBITED FROM COMPENSATING A DISTRIBUTED GENERATION OWNER FOR ELECTRIC PRODUCTION (KWH) THAT EXCEEDS THE CUSTOMER'S USAGE DURING ANY BILLING PERIOD.

<p><u>Customer Certification</u></p>

<p>I hereby certify that all information provided is true and correct, to the best of</p>

<p>my knowledge, and that I have read and understand the Terms and Conditions of this Agreement.</p>
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IN WITNESS WHEREOF, the parties have caused the Agreement to be executed by their duly authorized representatives.

Date: _____

Print: _____

Signed: _____

OMLP Certification

I hereby certify that: (1) I am a duly authorized OMLP representative; (2) I have examined the documents and generating facility proposed for interconnection described in Part A, Sections 1-3; and (3) I have determined that interconnection is authorized in accordance with OMLP regulations.

Date: _____

Print: _____

Signed: _____

NET-METERING FEES

Net Metering Application Fee.....\$100.00

Net Metering Interconnection Fee.....\$250.00

Net-Metering Every 3 Years Inspection Fee\$100.00

Distributed Generation Application Fee.....\$250.00

Distributed Generation Interconnection Fee.....\$1,000.00

Distributed Generation 3 Years Inspection Fee.....\$250.00

Note: Wheeling charges applicable to distributed generators that are separated from load will be based on the cost-share of facilities used to route electricity between the customer's generation and load.

INTERCONNECTION TIMELINE

	60 DAYS PRIOR TO CONSTRUCTION	60 DAYS PRIOR TO INTERCONNECTION	EVERY YEAR	EVERY 3 YEARS
<i>CUSTOMER ACTION</i>	SUBMIT PRELIMINARY INTERCONNECTION REVIEW REQUEST	SUBMIT STANDARD INTERCONNECTION AGREEMENT	SAFETY TEST	
<i>FORM</i>	APPENDIX A	APPENDIX B		
<i>OMLP ACTION</i>	DETERMINE UPGRADE CHARGES	REVIEW REQUEST FOR COMPLIANCE WITH ORDINANCE	MAY EXAMINE DOCUMENTS	SAFETY TEST
<i>APPROVAL</i>	AUTHORIZES CONSTRUCTION	AUTHORIZES INTERCONNECTION	CONTINUES CONNECTION	CONTINUES CONNECTION