

K.C. Electric Association
Net Metered Generating Facility Agreement

This Agreement made and entered into the ____ day of _____, 20____, by and between K.C. Electric Association hereinafter referred to as “KCEA” or the Cooperative, whose address is P.O. Box 8, 422 3rd Avenue, Hugo, Colorado 80821, and _____, hereinafter referred to as “Generating Facility” or “GF” whose service address is _____, Colorado, Witnesseth:

The parties hereto do mutually promise and agree as follows:

- I. KCEA for the stated consideration does promise and agree with the Generating Facility as follows:
 - A. This agreement shall become effective upon execution by the Parties and shall remain in effect for a period of one year from the effective date and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier.
 1. If in any billing period of KCEA the electric energy supplied to the Generating Facility by KCEA exceeds the electric energy generated by the GF, KCEA shall bill the Generating Facility for all of the energy supplied to the GF by KCEA at the same rate that all other consumers of KCEA are charged who are in the same rate class as the GF.
 2. A member receiving service under this schedule will be subject to the same retail rate as those who are not generators. Consumer-generators served under this rate remain responsible for all charges from their normal rate schedule including monthly minimum charges, customer charges, meter charges, facility charges, demand charges and surcharges. In months when the member generates more electricity than is consumed, all such excess energy, expressed in kWh, shall be carried forward from month to month and credited at a ratio of one to one against the members energy consumption, expressed in kilowatt hours, in subsequent months.
 3. Each year, within sixty days after the end of each annual period, or within sixty days after the member terminates retail service, the Association shall pay the member for any remaining unused credit balance accumulated during the previous year. The rate for payment for any remaining unused credit balance accumulated during the previous annual period shall be KCEA’s avoided cost of electric supply. The avoided cost of electric supply shall be the Association’s average cost of energy from our power supplier from the preceding calendar year. KCEA will determine the annual period to be used by the applicable rate class.

- B. KCEA shall not purchase electric energy from a GF who does not construct an electric energy generation system powered by qualified renewable resources unless the system meets all current and future safety and performance laws, regulations and standards established by the National Electric Code, the Institute of Electronic and Electrical Equipment, and the Underwriters Laboratories, which operated systems include an interconnection with KCEA which conforms to the interconnect standards as set forth in 2008, C.R.S., 40-2-124 subject to any exceptions thereto and to the Interconnect Guidelines of KCEA.
 - C. To provide to the GF a copy of the Net Metering Schedule - NM in effect on the date of the execution and delivery of the Agreement together with the interconnection Guideline standards of KCEA.
- II. The Generating Facility for the stated consideration does promise and agree with KCEA as follows;
- A. To sell all of the electric energy generated by the Generation System except that energy that is used by the GF, which is owned by the GF, which is powered by qualified renewable energy, to KCEA for a sale price equal to KCEA's avoided cost of electric supply from time to time by Tri-State Generation and Transmission Association, Inc.
 - 1. If in any billing period of KCEA the electric energy supplied to the Generating Facility by KCEA exceeds the electric energy generated by the GF, KCEA shall bill the Generating Facility for all of the energy supplied to the GF by KCEA at the same rate that all other consumers of KCEA are charged who are in the same rate class as the GF.
 - 2. A member receiving service under this schedule will be subject to the same retail rate as those who are not generators. Member-generators served under this rate remain responsible for all charges from their normal rate schedule including monthly minimum charges, customer charges, meter charges, facility charges, demand charges and surcharges. In months when the member generates more electricity than is consumed, all such excess energy, expressed in kWh, shall be carried forward from month to month and credited at a ratio of one to one against the members energy consumption, expressed in kilowatt hours, in subsequent months.
 - 3. Each year, within sixty days after the end of each annual period, or within sixty days after the member terminates retail service, the Association shall pay the member for any remaining unused credit balance accumulated during the previous year. The rate for payment for any remaining unused credit balance accumulated during the previous annual period shall be KCEA's avoided cost of electric supply. The avoided cost of electric supply shall be the Association's average cost of energy from our power supplier from the

preceding calendar year. KCEA will determine the annual period to be used by the applicable rate class.

- B. The GF does agree that the generation system owned by the GF and powered by qualified renewable resources used for the purpose of generating electric energy shall be constructed in accordance with all current and future safety and performance laws, regulations and standards established by the National Electric Code, the Institute of Electronics and Electrical Equipment, and the Underwriters Laboratories, which system shall include an interconnection with KCEA which conforms to the interconnect standards as set forth in 2008, C.R.S., 40-2-124 subject to any exceptions thereto and to the Interconnect Guidelines of K.C.
- C. The GF does state and does acknowledge that the GF is familiar with the provisions of the current safety and performance laws, regulations and standards established by the National Electric Codes, the Institute of Electronics and Electrical Equipment, and the Underwriter Laboratories, for the construction and operation of a generation system to provide electric energy powered by qualified renewable energy and the Interconnect Standards as set forth in 2008, C.R.S., 40-2-124 and has been given a copy of the Interconnecting Standards for small generating facilities no larger than 25 kW and 600 VAC.
- D. Does agree that the GF shall, indemnify, defend, and hold KCEA, its employees, agents, successors, assigns, subsidiaries, and affiliates harmless against any and all claims, demands, liens, lawsuits, judgments, or actions of any nature whatsoever that may be brought on account of the installation, maintenance, operation, repair, or replacement of the system of the QF or any component equipment of the system.
- E. The GF does further agree as follows:
 - 1. The GF named in this agreement has read this agreement and does acknowledge that the GF does understand the terms and conditions hereof and is competent and has authority to execute and deliver this Agreement and agree to be bound by the terms of this Agreement.
 - 2. The GF receives electric service from KCEA at the address set forth above and is the person or legal entity in whose name electric service is provided at the premises being serviced.
 - 3. The GF will install an electric energy generating system powered by qualified renewable resources which shall meet all applicable codes, regulations, laws and standards.
 - 4. The GF shall be solely responsible for ensuring that the GF system equipment

installed for the purpose of this Agreement meets all applicable codes, regulations, laws, and standards. Used equipment will not be acceptable under the terms of this Agreement.

5. The GF system shall be located on the GF's electric service premises at all times during the terms of this Agreement.
6. KCEA shall not be responsible for or liable for any personal injury or property damage covered by the system owned and operated by the consumer generator who shall be the owner of the system. In no event shall KCEA be deemed to be the owner operator of the system.
7. The GF shall maintain the GF system and the individual components of the system in good working order at all times during the terms of this Agreement. In the event that the GF system or any component parts thereof shall be damaged or destroyed, the GF shall promptly notify KCEA in writing and shall thereafter repair or replace the equipment or any component part forthwith at the sole cost and expense of the GF. Failure of the GF to immediately repair the damage or replace equipment damage shall be a material breach of this Agreement. The parties hereto do agree that the GF will be liable to KCEA for any damages incurred by KCEA resulting from such breach and at the option of KCEA will be consideration of grounds for the termination of this Agreement.
8. The GF shall agree that any Renewable Energy Credits (REC's) are the property of KCEA during the terms of this Agreement. In the event that the KCEA metering or any component parts thereof shall be damaged or destroyed, the GF shall promptly notify KCEA and if the damage was caused by the GF system the GF shall be responsible for the cost and expense for KCEA to repair or replace the equipment.

III. The parties hereto for the stated consideration do agree that this Agreement shall be subject to the additional terms and conditions:

- A. This agreement shall become effective upon execution by the Parties and shall remain in effect for a period of one year from the effective date and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier.

This agreement can be assigned and transferred to other persons or legal entities by the original GF upon written notice of such assignment to KCEA prior to such assignment. The assignment shall not become effective until the assignee does acknowledge in writing to KCEA that the assignee has a copy of the Net Metering Schedule - NM of KCEA then in full effect, a copy of this Agreement and the Interconnection Guidelines of KCEA.

- B. If any dispute arises evolving from the terms and conditions of this Agreement or the enforcement thereof, the prevailing party in any action brought for the purpose of resolving the dispute may be entitled as a matter of damages its reasonable attorney's fees, expenses, and costs of such action from the non-prevailing party.
- C. Failure of either party to enforce any term or condition of this agreement shall not constitute a waiver of that term or condition.
- D. If any representation of the parties one to the other is false or incorrect, such false or incorrect representation shall constitute a material breach of this Agreement.
- E. This Agreement shall be construed in accordance with the laws of the State of Colorado.
- F. By executing this Agreement, the GF grants to KCEA permission to share the location of the GF system and information regarding each GF system as well as the terms and conditions of this Agreement with other electric cooperative utilities and other entities, such as Tri-State Generation and Transmission Association, Inc.
- G. This Agreement contains the full agreement of the parties hereto and any change or amendment hereto must be in writing and executed by both parties hereto and attached to this Agreement before such change or amendment is legally effective.
- H. For the duration of the Delivery Term, Seller agrees that KCEA is entitled to all Green Attributes, including in the form of REC's associated with the energy and associated capacity delivered by Seller to KCEA, and Seller hereby conveys to KCEA all present and future rights to such Green Attributes and agrees to take all further steps required to affect such transfer to KCEA at the time of any such delivery. Seller shall not sell, exchange, or reserve any claim of ownership of the Green Attributes from the Facility which are required to be conveyed to KCEA, or take any other action that would prevent such Green Attributes from being used by KCEA to meet the Colorado Renewable Portfolio Standard.
- I. As a GF and customer of KCEA I have read, understand, and agree to the terms and conditions of this Agreement.

Executed and delivered the day and year first set forth above.

Generation Facility

By: _____
K.C. Electric Association