

**CITY OF ESTHERVILLE AGREEMENT
FOR ELECTRIC SERVICE AND
INTERCONNECTION OF A 10 kW or LESS,
DISTRIBUTED GENERATION FACILITY**

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and among Iowa Lakes Electric Cooperative, an Iowa (“Cooperative”), Corn Belt Power Cooperative, an Iowa G & T Cooperative with its principal place of business in Humboldt, Iowa (“Corn Belt”), the City of Estherville (“City”), and _____ an individual residing in Estherville, Iowa (“Consumer”);

WITNESSETH:

WHEREAS, ILEC is a public utility under Chapter 476 of the Code of Iowa and provides electric utility service at retail to member-consumers in its assigned service area and providing supplemental wholesale power service to the City of Estherville; and

WHEREAS, the City of Estherville operates a municipal electric utility and provides electric utility service at retail to customers in its assigned service area; and,

WHEREAS, Consumer is a customer of the City of Estherville and purchases electric power and energy from the City of Estherville.

WHEREAS, ILEC is a member of Corn Belt and obtains all of its electric power and energy from Corn Belt pursuant to the terms and conditions of a wholesale power contract between ILEC and Corn Belt; and,

WHEREAS, Consumer owns and operates a small renewable electric generating facility (Facility) and desires to purchase from the City of Estherville emergency and backup electric service and to sell excess electric power and energy generated by its Facility, and to interconnect with the electric distribution system of the City of Estherville to do so; and,

WHEREAS, the City of Estherville and ILEC, Corn Belt and Consumer desire to set forth in this Agreement the terms and conditions pursuant to which said purchases, sales, and interconnection shall be made;

IT IS, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER SET FORTH, AGREED BY AND AMONG THE PARTIES AS FOLLOWS:

A. Electric Service Provided to Customer

1. The City of Estherville shall furnish, sell and deliver to Customer, and Customer shall purchase from Utility all of the electric power and energy which Customer may need at the location described in Exhibit "A," attached hereto and by this reference made a part hereof, subject to the remaining provisions of this Agreement.

2. Electrical service provided by the City of Estherville shall be alternating current, 60 cycles, at voltages consistent with the Rate Schedule applicable to the Facility.

3. Customer shall not use the electric power and energy furnished pursuant to this Agreement as an auxiliary or supplement to any other source of electric power and energy, other than that generated by the Distributed Generation Facility located on its premises, and shall not resell electric power and energy purchased hereunder.

4. Customer shall pay the City of Estherville for service at the rates and upon the terms and conditions as set forth herein and in the City of Estherville's applicable rate schedule, as adjusted from time to time pursuant to Section A.7 of this Agreement.

5. Interconnection and the initial billing period relating thereto shall commence after completion of certification by the State Electrical Inspector, inspection by the City of Estherville personnel, installation of Utility-approved metering equipment by City of Estherville personnel pursuant to Section C of this Agreement, and satisfaction of all other terms and conditions of this Agreement for interconnection.

6. City of Estherville billing and collections for service delivered hereunder shall be handled in accordance with the City of Estherville billing practices as set forth in the City of Estherville's Service Rules, as revised by the City of Estherville from time to time (the "Service Rules"). In the event Customer fails to make payment of any bills when due for service delivered hereunder, the City of Estherville may discontinue service to the Customer in accordance with the City of Estherville's Service Rules. Discontinuance of service shall not relieve Customer of any of its obligations under this Agreement.

7. The City of Estherville may change the rates for service provided under this Agreement in the same manner in which it may modify its rates to its other electric customers. By this reference, such adjusted rates shall be a part hereof as if set forth in full.

8. The City of Estherville shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy. If the supply of electric power and energy shall fail or be interrupted, or become defective through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor disputes, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of the

City of Estherville, the City of Estherville shall not be liable therefore or for damages caused thereby.

B. Interconnection Requirements

1. All facilities shall meet certain requirements to be eligible for interconnection pursuant to the terms and conditions of this section. Permission to interconnect with the City of Estherville electric system is contingent upon the following conditions:

- a. The Customer shall comply with all applicable acceptable standards for interconnection, safety, and operating reliability in order to be eligible for interconnection to the City of Estherville's electric system. Acceptable standards include the most current versions of the following standards, as revised or replaced from time to time:

199--15.10(476) Standards for interconnection, safety, and operating reliability. For purposes of this rule, “electric utility” or “utility” means both rate-regulated and non-rate-regulated electric utilities.

15.10(1) Acceptable standards. The interconnection of distributed generation facilities and associated interconnection equipment to an electric utility system shall meet the applicable provisions of the publications listed below:

- a) Standard for Interconnecting Distributed Resources with Electric Power Systems, IEEE Standard 1547. For guidance in applying IEEE Standard 1547, the utility may refer to:
 - (1) IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems--IEEE Standard 519-2014; and
 - (2) IEC/TR3 61000-3-7 Assessment of Emission Limits for Fluctuating Loads in MV and HV Power Systems.
- b) Iowa Electrical Safety Code, as defined in 199--Chapter 25.
- c) National Electrical Code, ANSI/NFPA 70-2014.

2.
 - a. In order to provide adequate safety to the City of Estherville's employees and the City of Estherville's system, Customer shall furnish, install and maintain a manual disconnect switch between the Distributed Generation Facility and the City of Estherville's system in order that the Distributed Generation Facility may be positively disconnected and isolated from City of Estherville's system.
 - b. For all distributed generation installations, the customer shall be required to provide and place a permanent placard no more than ten feet away from the electric meter. The placard must be visible from the electric meter. The placard must clearly identify the presence and location of the disconnection device for the distributed generation facilities on the property. The placard must be made of material that is suitable for the environment and must be designed to last for the duration of the anticipated operating life of the distributed generation facility. If no disconnection device is present, the placard shall state "no disconnection device".
 - c. If the distributed generation facility is not installed near the electric meter, an additional placard must be placed at the electric meter to provide specific information regarding the distributed generation facility and the disconnection device.
 - d. The interconnection shall include overcurrent devices on the facility to automatically disconnect the facility at all currents that exceed the full-load current rating of the facility.
 - e. Distributed generation facilities with a design capacity of 100 kilowatts or less must be equipped with automatic disconnection upon loss of electric utility-supplied voltage.
 - f. Both the operator of the Distributed Generation Facility and the City of Estherville shall have access to the switch at all times. If the City of Estherville needs to isolate the Distributed Generation Facility, the City of Estherville shall not be held liable for any damages resulting from the actions necessary to isolate the facility.
3. Customer facilities that produce a terminal voltage prior to the closure of the interconnection shall be equipped by the Customer with synchronism check devices to prevent closure of the interconnection under conditions other than a reasonable degree of synchronization between the voltages on each side of the interconnection switch.
4. The Distributed Generation Facility shall be subject to disconnection at any time without notice by the City of Estherville in the event the City of Estherville determines that the facility causes unacceptable safety, voltage, or frequency conditions, service interruption, or communications interference.

5. The Customer shall regularly inspect the Distributed Generation Facility to determine necessity for replacement and repair, maintain and service the Distributed Generation Facility for safe and reliable operation and maintain a record or log, available for inspection by the City of Estherville at any time, showing when the facility is shut down for repairs or maintenance, the maintenance or repair completed, and when the facility is placed back in service. If requested by the City of Estherville, the customer shall submit to the City of Estherville a maintenance schedule, prior to October 1, of each year, for the following calendar year.
6. The Distributed Generation Facility is limited to on-site use only, except with express written permission from the City of Estherville.
7. Insurance: The interconnection customer shall provide the utility with proof that it has a current homeowner's insurance policy or other general liability policy.
8. Limitation: Each Party's liability to the other Party for any loss, cost, claim, injury, liability or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, provided that in no such even shall death, bodily injury or third party claims be construed as an indirect or consequential damages.
9. The Customer shall reimburse City of Estherville for costs incurred by City of Estherville for all costs of connection, switching, transmission, distribution, safety provisions and administrative costs directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with the Facility to the extent the costs are in excess of the corresponding costs which City of Estherville would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.
10. The Customer shall be responsible for the costs of installation and maintenance of power factor correction capacitors required to maintain the equivalent of an average power factor of 98% (lagging) or better at the interconnection.
11. The Customer's electric generating equipment shall be designed, operated and maintained in such a manner that it does not adversely affect the City of Estherville's voltage wave form.
12. The City of Estherville reserves the right to require Customer to provide at its expense suitable apparatus for filtering to avoid interference with telephone, radio, television, or

other electronic signal reception caused by electrical equipment and apparatus on Customer's premises. Failure of Customer to provide filtering when requested by the City of Estherville shall be grounds for disconnection of the Distributed Generation Facility.

13. The Customer shall comply with all applicable laws, rules and regulations governing the operation of its Distributed Generation Facility.
14. Operation of the Distributed Generation Facility must not cause any reduction in the quality of service provided to other customers of City of Estherville or interfere with the operation of the City of Estherville's system. The customer shall take such corrective action as may be necessary in order to eliminate such condition, and shall reimburse the City of Estherville for any costs incurred by the City of Estherville in correcting or eliminating such conditions.
15. The electrical characteristics of the Distributed Generation Facility shall conform with standards established by NEC Article 705, as revised or replaced from time to time.
16. The City of Estherville reserves the right to open and lock the disconnect switch, thereby isolating Customer's Distributed Generation Facility, without prior notice to Customer, for any of the following reasons:
 - a. System emergency and/or maintenance operations, which require such action.
 - b. The existence of potentially hazardous (to persons or property) conditions relating to the Distributed Generation Facility.
 - c. Interference with the quality of service provided to other customers, and/or the operation of the City of Estherville's system, caused by or resulting from the operation of the Distributed Generation Facility.
 - d. All other reasons for disconnection set forth in this Agreement.
17. The Customer shall permit the City of Estherville's representatives to enter upon the Customer's property at any reasonable time for the purpose of inspecting or testing the Customer's equipment, facilities or apparatus and the accuracy of the City of Estherville's metering equipment, but such inspections shall not relieve the Customer of the obligation to maintain the Customer's facilities in satisfactory operating condition and to comply with all terms of this Agreement. The City of Estherville may charge the direct expense of such inspecting or testing of Customer's equipment, facilities or apparatus to the Customer, unless the Customer can demonstrate the inspecting and testing was not necessary.

18. Battery storage systems, energy storage devices, hybrid generation-storage systems, plug-in electric vehicles and plug-in hybrid vehicles: Customer shall not store energy generated by the Distributed Generation Facility or energy delivered by the City of Estherville, in either case for sale or delivery of such energy to the City of Estherville. The Customer shall not deliver any stored energy to the City of Estherville, and the City of Estherville shall have no obligation to make payment or provide credit for any such energy delivered by the Customer.
19. Modification of Distributed Generation Facility: The Customer must provide the City of Estherville with written notice, and must receive written authorization from the City of Estherville, before making any changes to the Distributed Generation Facility. If the Customer makes such modifications without the City of Estherville's prior written authorization, the City of Estherville shall have the right to disconnect the Distributed Generation Facility.

C. Metering.

The City of Estherville will install bi-directional metering equipment at the point of service to the Distributed Generation Facility. Said metering shall include metering for the Distributed Generation Facility, such that the City of Estherville's sale and delivery of energy to Customer, and Customer's sale and delivery of energy generated by the Distributed Generation Facility to the City of Estherville, shall be metered.

The City of Estherville shall pay the costs of metering the sale and delivery of energy.

The City of Estherville shall have the right to install such additional metering equipment as it deems necessary for the collection of data for research purposes, which metering will be furnished and paid for by the City of Estherville.

Meters shall be read by the City of Estherville.

D. Billing and Calculation of Credits to Customer for deliveries to the City of Estherville.

The Customer shall be responsible for payment of any applicable customer charge or obligation set forth in this Agreement or the City of Estherville's rate schedule or other applicable charges approved by the City of Estherville that are not calculated on the basis of metered measurement, as set forth herein and on the City of Estherville's rate schedule as revised by the City of Estherville from time to time.

For charges collected on the basis of metered registration, the City of Estherville shall, for each monthly billing period, determine the "net meter registration" of the Distributed Generation Facility by comparing the directional energy flow in each direction. The net

meter registration shall be determined according to the metering provided under Section C of this Agreement. The net meter registration shall be determined by netting the amount of energy delivered in each direction during the billing period per the separate meters.

If the net meter registration shows the deliveries of energy in kWh from the Distributed Generation Facility to the City of Estherville exceed the deliveries of energy in kWh from the City of Estherville to the Customer for the applicable billing period, the City of Estherville shall pay the Customer for the net amount of energy delivered by the Distributed Generation Facility. The City of Estherville shall pay for such net amount of energy at the Corn Belt PURPA rate in effect on the last day of the applicable billing cycle. Corn Belt may revise its avoided costs rate at any time and from time to time.

If the net meter registration shows the deliveries of energy in kWh from the City of Estherville to the Customer exceed the deliveries of energy in kWh from the Distributed Generation Facility to the City of Estherville for the applicable billing period, the Customer shall pay the City of Estherville for the net amount of energy delivered by the City of Estherville at the rate applicable to its type or class of electric service pursuant to the City of Estherville's rate schedule in effect on the last day of the applicable billing cycle.

The net metering arrangement provided to Customer herein is for the purposes of promoting small-scale renewable generation facilities, such as the facility owned by the Customer. The parties agree that all excess kWh's delivered by the Distributed Generation Facility to the City of Estherville shall be deemed to have been purchased by Corn Belt at the point of delivery, even though the City of Estherville shall have given the Customer net metering credits rather than a cash payment for the same.

The net metering shall not exceed the nameplate rating of the qualifying facility.

The City of Estherville shall make no payments nor provide credits to Customer for capacity except in the case of an express written agreement for the purchase of capacity from Customer, signed by the parties following authorization by the City of Estherville's governing body.

Any and all fees and charges relating to the interconnection of the Distributed Generation Facility, whether applicable prior to interconnection, at the time of interconnection or at any time in the future, which may be charged or assessed to the City of Estherville by a regional transmission organization (RTO), the Federal Energy Regulatory Commission (FERC), any other regulatory body, or any other entity which has the legal or contractual authority to require payment of fees and charges relating to interconnection, shall be passed on to the Customer by the City of Estherville at cost by direct billing or by netting such fees and charges.

E. Notice.

Any notice, demand, or request required or authorized by this Agreement to be given by one party to another party shall be in writing. Such notice shall be sent by facsimile, electronic messaging (confirmed by telephone), courier, personally delivered or mailed, postage prepaid, to the representative of the other party designated in this Section E. Any such notice, demand, or request shall be deemed to be given (a) when received by facsimile or electronic messaging, (b) when actually received if delivered by courier or personal delivery, (c) three (3) days after deposit in the United States mail, if sent by first class mail, or (d) when received at the address of the receiving party, if mailed by prepaid certified mail or by prepaid overnight delivery via the United States Postal Service, Federal Express, Airborne or United Parcel Service.

Notices and other communications by the City of Estherville to Customer shall be addressed to:

NAME : _____
ADDRESS : _____
TELEPHONE: _____
E-MAIL : _____

Notices and other communications by Customer to the City of Estherville shall be addressed to:

City of Estherville
2 North 7th Street
PO Box 417
712-362-7771
b.friesner@cityofestherville.org

F. Miscellaneous.

1. This Agreement shall be subject to all applicable federal, state, and local laws and regulations, including but not limited to those relating to allocation of power.
2. This Agreement shall become effective on the date and year first above written. This Agreement shall be terminated six (6) months after such date if the Distributed Generation Facility has not been placed in service and thus has not generated any energy.
3. Neither party may assign any right or obligation under this Agreement, in whole or in part, without the other party's prior express written consent. Subject to the foregoing, this Agreement shall be binding upon the parties, and upon their respective successors and assigns.
4. Notwithstanding anything herein to the contrary, in the event of a material breach of this Agreement by Customer the Distributed Generation Facility shall be subject to disconnection, and the Utility may terminate this Agreement with thirty (30) days' written notice

to Customer if Customer fails to cure such breach within said thirty (30) day period. Such notice may be given by mail, e-mail or facsimile and shall be considered received by Customer on the date such notice is mailed, e-mailed or faxed by the City of Estherville.

5. This Agreement shall terminate if Customer moves from the residence or business address associated with this Agreement. Any new resident or occupant at such address who seeks to interconnect the Distributed Generation Facility must submit an application and enter into a new agreement with the City of Estherville. Notwithstanding the foregoing, this Agreement may be transferred and assigned to a new resident or occupant only with the City of Estherville's prior written approval, which approval may be granted or denied in the utility's discretion.

6. Termination of this Agreement shall not relieve Customer of any of its obligations for amounts due under this Agreement and its indemnification obligations under this Agreement.

7. Together with the City of Estherville's Service Rules, Interconnection Standards, and rate schedule, each as revised by the City of Estherville from time to time, this Agreement constitutes a complete understanding of the parties with respect to the subject matter herein and supersedes and replaces all prior understandings, promises, representations, and agreements, written or oral, relating thereto. The parties may amend this agreement only by written amendment signed by the parties and authorized by the City of Estherville's governing body.

8. The failure of either of the parties to enforce any right or provision under this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by such party in writing. No waiver shall be implied from a failure of either party to exercise a right or remedy. In addition, no waiver of a party's right or remedy will affect the other provisions of this Agreement.

9. The terms of this Agreement are separable so that if any term or provision is invalid or unenforceable, that term will be interpreted or modified to make it valid or enforceable, or that term will be deleted if incapable of being interpreted or modified to make it valid or enforceable, and the rest of this Agreement will remain in full force and effect.

10. This Agreement shall remain in effect for a term commencing at the date of execution of this Agreement and ending on the last day of the second calendar year following execution of this Agreement (meaning the December 31st that precedes the 2-year anniversary of the commencement date). This Agreement shall thereafter continue for successive terms of one (1) year each, for a maximum total period that is mutually agreed upon, unless terminated by either party giving the other not less than three (3) months' written notice of its desire to terminate the Agreement. In no event shall this agreement to purchase extend beyond the date of the Interconnection Agreement, and in the event the Interconnection Agreement is terminated, the agreement to purchase as described in this Agreement shall also be terminated.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

IOWA LAKES ELECTRIC COOPERATIVE

By _____

CORN BELT

By _____

CITY OF ESTHERVILLE

By _____

CONSUMER

By _____

EXHIBIT "A"

PURPA PURCHASE APPLICATION

Member Cooperative hereby requests qualification of the following purchase for the Consumer-Generated PURPA Energy Purchase Rate that will be adjusted each calendar year and agrees to the conditions in accordance with the Corn Belt PURPA Rate:

Name of Distribution Cooperative, City and Owner of the Renewable Energy Project:

Total nameplate rating of facilities qualified under this rate at single site: _____ (kW)

Commitment Term: Begin _____ End _____

Name of Substation which interconnection feeder originates from: _____

Address of Generator Site: _____

Type of Facility (describe in detail): _____
