



**MEMBER RELATIONS POLICY NO. 416A**

**INTERCONNECTION AND NET METERING AGREEMENT MEMBER  
GENERATION RESOURCES SMALLER THAN 25 KW**

**Interconnection and Net Metering Agreement**

This agreement dated this \_\_\_\_\_ day of 20\_\_\_\_\_ by and between Beartooth Electric Cooperative, Inc. (BEC), and \_\_\_\_\_ BEC Member-owner (Member).

Whereas Member owns or intends to install and own an electricity generating facility (Facility) qualifying for Net Metering Service as allowed in current BEC Rules and Policies.

Location:

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Description of Facility:

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**1. INTENT OF PARTIES:**

It is the intent of the Member to interconnect a Facility to BEC’s electric distribution system.

- 1.1. It is the intent of both parties to operate their facilities in a way that ensures the safety of BEC’s personnel and electric distribution system, the Member, and the general public.
- 1.2. It is the intent of BEC to operate the electric distribution system to maintain a high level of service to its Member-owners and to maintain a high level of electricity quality.

- 1.3. The Member is responsible for establishing operating procedures and standards for the Facility and shall be competent to operate the Facility.
- 1.4. The Member is responsible for notifying BEC in writing if the Facility will be modified or expanded to increase the nameplate rating of the Facility. Any modifications or expansion that increases the nameplate rating of the Facility shall be subject to approval and inspection by BEC and execution of an Amendment to this Agreement.

## 2. DEFINITION OF TERMS:

- 2.1. **Net Electricity:** Is the difference between electricity supplied through BEC's electric distribution system to Member and electricity generated by the Member and fed back to BEC's electric distribution system over the applicable billing period.
- 2.2. **Member:** Member is a registered Member-owner of BEC.
- 2.3. **Avoided Costs:** The wholesale electricity component of the currently applicable BEC rate schedule.
- 2.4. **Rules:** Rules, Regulations, and Tariffs that have been adopted by BEC.
- 2.5. **Facility:** A Member's generation equipment beyond BEC's meter that meets the criteria for service under BEC's Member Relations Policy No. 416 NET METERING OF MEMBER GENERATION RESOURCES SMALLER THAN 25 KW.
- 2.6. **Measurement of Net Electricity:** A meter or meters will be installed at the expense of Member to measure the flow of electricity in each direction, The Member shall be responsible for all expenses involved in purchasing and installing facilities necessary for the meter installation.
- 2.7. **Suspension of Interconnection:** The interconnection will not compromise the protection or operational requirements of BEC's electric distribution system. The operation of the Facility and the quality of electricity supplied by the Facility shall meet the standards as specified by BEC. If the operation of the Facility or quality of electricity supplied (in the case of electricity fed back to BEC's electric distribution system) does not meet the standards as specified, BEC will notify the Member to take reasonable, timely and appropriate corrective action. BEC shall have the right to disconnect the Facility until corrective action is taken to BEC's satisfaction. Notwithstanding, BEC may in its sole discretion disconnect the Facility from BEC's electric distribution system without notice if the operation of the Facility poses a threat to life or property.

- 2.8. **Maintenance Outages:** Maintenance outages will occasionally be required on BEC's electric distribution system. BEC will provide as much notice and planning as practical to minimize downtime of the Member's Facility.

3. **NET METERING PROVISIONS:**

- 3.1. **Generating Facility:** The Facility shall consist of a renewable distributive generating facility. Said Facility will be interconnected and operated in parallel with BEC's electric distribution system and is intended primarily to offset part or all of Member's own electricity requirements measured by BEC at a single metering point located at the immediate interconnection point of the Facility to BEC's electric distribution system.
- 3.2. **Term:** This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. This Agreement may be terminated as follows:
- 3.2.1. Member may terminate this Agreement at any time by giving BEC at least sixty (60) days written notice.
- 3.2.2. BEC may terminate with thirty (30) days advanced written notice upon failure by the Member to generate electricity from the Facility within six (6) months after completion of the interconnection.
- 3.2.3. BEC may terminate this Agreement upon thirty (30) days advanced written notice if the Facility is abandoned or removed.
- 3.2.4. Either party may terminate this Agreement by giving the other party at least thirty (30) days prior written notice that the other party is in default of any of the terms and conditions of the Agreement or the Rules and Policies of BEC, so long as the notice specifies the basis for termination and provides opportunity to cure the default.
- 3.2.5. BEC may terminate this Agreement by giving Member at least sixty (60) days notice in the event that there is a material change in an applicable law, or any requirement of BEC's wholesale electricity suppliers, any transmission utility, independent system operator, or regional transmission organization having responsibility for the operation of any part of BEC's electric distribution system unless a shorter notice is required because of any requirement imposed upon BEC.

4. **BILLING:**

- 4.1. If the electricity supplied by BEC during a monthly billing period exceeds the Member generated electricity that flowed back to BEC during the billing period, the Member will be:

- 4.1.1. Billed for the base or facilities charge at the applicable retail rate.
  - 4.1.2. If applicable, billed for the maximum demand at the applicable retail rate.
  - 4.1.3. Billed for net electricity at the applicable retail rate. If unused net electricity credit exists from previous billing periods, Member will be credited up to the full amount of net electricity used during the applicable billing period. Remaining unused net electricity credit will be carried forward to future billing periods subject to the provisions of Section 4.3.
- 4.2. If electricity generated by the Member and flowed back to BEC during a billing period that exceeds the electricity supplied by BEC, the Member will be:
- 4.2.1. Billed for the base or facilities charge at the applicable retail rate.
  - 4.2.2. If applicable, billed for maximum demand at the applicable retail rate.
  - 4.2.3. Credited for the net electricity generated during the billing period, with this net electricity credit appearing on the bill for the following billing period. If unused net electricity credit exists from a previous billing period, they will be carried forward to the next billing period. Unused net electricity credit at the end of the applicable 12-month billing period will be carried forward to future billing periods subject to the provisions of Section 4.3.
- 4.3. Annual True-up:
- 4.3.1. Montana: April 1 is designated as the beginning date of a 12-month billing period for Facilities located in Montana. Any remaining unused net electricity credit accumulated during the previous 12-months will be reimbursed to the Member at BEC's avoided cost for resources.
  - 4.3.2. Wyoming: January 1 is designated as the beginning date of a 12-month billing period for Facilities located in Wyoming. Any remaining unused net electricity credit accumulated during the previous 12-months will be reimbursed to the Member at BEC's avoided cost for resources.

## **5. INTERCONNECTION:**

- 5.1. Member shall provide, at Member's sole expense, the interconnection on Member's side of the meter. At Member's expense, BEC shall make reasonable modifications to BEC's electric distribution system necessary to accommodate the Facility. The cost for such modifications will be payable in advance of construction to BEC.

- 5.2. The net metering system used by BEC shall include, at Member's expense, all equipment necessary to meet applicable safety, electricity quality, and interconnection requirements established by BEC's electric service requirements, the National Electric Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.
- 5.3. BEC's written approval of Member's protection-isolation method, to ensure generator disconnection in case of an electricity interruption, is required by BEC before service is provided under this Agreement.
6. **Disconnect Switch:** Member shall furnish and install on Member's side of the meter a safety disconnect that shall be capable of fully disconnecting the Facility from BEC's electric distribution system. BEC shall have the right to disconnect the Facility from BEC's electric distribution system at its sole discretion, when necessary to maintain safe electrical operating conditions, or if in BEC's sole judgment, the Facility at any time adversely affects operation of BEC's electric distribution system or the quality of service to other BEC Member-owners.
7. **Functional Standards:** Without cost to BEC, the Member shall furnish, install, operate and maintain in good order and repair, all equipment required for the safe operation of the Facility in parallel with BEC's electric distribution system. This equipment shall include, but not be limited to, equipment necessary to establish automatically and maintain synchronism with BEC's electric distribution system and a load break switching device that shall automatically disconnect the Facility from BEC's electric distribution system in the event of overload or outage of the electric distribution system. The Facility will be designed to operate within allowable voltage variations of BEC's electric distribution system. The Facility shall not cause any adverse effect upon the quality of service to BEC Member-owners.
8. **Installation and Maintenance:** Excepting only metering equipment owned by BEC, all equipment on Member's side of the electricity delivery, including any required disconnect switch and synchronizing equipment, shall be provided, installed, and maintained in satisfactory operating condition by Member and shall remain the property and responsibility of the Member. BEC shall bear no liability for Member's equipment or for consequences of its operation or failure to operate properly. For purposes of gathering research data, BEC may, at its expense, install and operate additional metering and data-gathering devices.
9. **Pre-operation Inspection:** Prior to interconnection, the Facility and associated interconnection equipment will be inspected and approved by the state electrical inspector and any other governmental authority having jurisdiction. BEC shall issue a final written notice to Member prior to energizing the Facility.

10. **Access:** Authorized BEC personnel shall have the right to enter the Member's property for the purpose of operating the disconnect switch and meters, making additional tests concerning the operation and accuracy of its meters, and for ensuring the Facility meets the requirements of this Agreement.
11. **Liability:** The Member must maintain in effect at all times comprehensive combined single limit bodily injury and property damage insurance coverage of not less than \$2,000,000. This insurance is to protect the general public and BEC from damage attributable to the Facility. BEC shall be a named party on the Policy with proof of insurance provided to BEC annually.
12. **Indemnity:** Member shall agree to indemnify and hold BEC harmless from any and all liability for damages, including attorneys' fees and costs, caused by operation of the Facility. BEC recommends that Members discuss this provision with the Member's insurance carriers.
13. **Enforcement upon default by Member:** BEC shall have the right to specifically enforce the terms of this agreement and collect its reasonable attorney's fees and costs associated thereto.
14. **Compliance with the applicable Laws of the State of Montana and Wyoming and BEC Rules and Policies:** The interconnection and services provided under this Agreement shall at all times be in compliance with the applicable laws of the States of Montana and Wyoming and subject to the terms and conditions set forth in BEC's Rules and Policies, which are hereby incorporated into this Agreement by this reference. BEC shall have the right to publish changes in any of the Rules and Policies at any time.
15. **Severability:** If any portion or provision of this Agreement is held or adjudged for any reason to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.
16. **Entire Agreement:** This contract contains the entire agreement between the Member and BEC and may not be changed except in writing signed by all parties. Where a conflict occurs between BEC Rules and Policies and this Agreement, BEC Rules and Policies, and any amendments thereto, shall prevail. This Agreement shall be deemed amended by any amendment to BEC's Rules and Policies which are adopted by the Board subsequent to the date this Agreement is signed by the Member.

In witness whereof, BEC and Member have, by their duly authorized representatives, executed this agreement in duplicate as of the day and year first above written.

**Member:**

**BEC:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Adopted: 02/22/2013  
Revised: 10/30/2018  
Reference: LV Policy 607, BEC Policy VI-A-34  
Review Date: October 2020

Attest: /s/ Kevin P. Owens, PE  
General Manager

Attest: /s/ Julie Lindgren  
Board President