

# Albemarle EMC

## Facilities Study Agreement

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and \_\_\_\_\_, a Cooperative existing under the laws of the State of North Carolina, ("Cooperative"). Interconnection Customer and the Cooperative each may be referred to as a "Party," or collectively as the "Parties."

### RECITALS

**WHEREAS**, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on \_\_\_\_\_; and

**WHEREAS**, the Interconnection Customer desires to interconnect the Small Generating Facility with the Cooperative's System;

**WHEREAS**, the Cooperative has completed a System Impact Study and provided the results of said study to the Interconnection Customer (this recital to be omitted if the Parties have agreed to forego the system impact study); and

**WHEREAS**, the Interconnection Customer has requested the Cooperative to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Cooperative's System.

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the Cooperative's Small Generator Interconnection Procedures.

- 2.0 The Interconnection Customer elects and the Cooperative shall cause to be performed a Facilities Study consistent with the Cooperative's Small Generator Interconnection Procedures.
- 3.0 The scope of the Facilities Study shall be subject to data provided in Attachment A to this Agreement.
- 4.0 The Facilities Study will specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s). The facilities study will also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Cooperative's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

If the study is for a Project B, the Study shall assume the interdependent Project A is interconnected.

- 5.0 The Cooperative may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.
- 6.0 A deposit of the good faith estimated Facilities Study costs may be required from the Interconnection Customer. If the unexpended portion of the Interconnection Facilities Deposit made for the Interconnection Request exceeds the estimated cost of the facilities study, no payment will be required of the Interconnection Customer.
- 7.0 The cooperative will proceed in good faith to complete the interconnection process, provided that completion will typically take more time in cases where Upgrades are required. The Cooperative reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Facilities Study. If the information requested by the Cooperative is not provided by the Interconnection Customer within a reasonable timeframe to be identified by the Cooperative, the Cooperative shall provide the Interconnection Customer written notice providing an opportunity to cure such failure by the close of business on the tenth (10<sup>th</sup>) Business Day following the posted date of such notice, where failure to provide the information requested within this period shall result in the Study being terminated and the Interconnection Request being deemed withdrawn.
- 8.0 Once the Facilities Study is completed, a draft Facilities Study report will be prepared and transmitted to the Interconnection Customer.
- 9.0 Any study fees will be based on the Cooperative's actual costs and will be deducted from the Interconnection Request Deposit made by the Interconnection Customer at the time of

the Interconnection Request. After the study is completed the Cooperative will deliver a summary of professional time.

- 10.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 20 calendar days on receipt of the invoice. If the deposit exceeds the invoiced fees, the Cooperative will refund such excess, typically within 20 calendar days of the invoice without interest.

11.0 **Governing Law, Regulatory Authority, and Rules**

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of North Carolina, without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.0 **Amendment**

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

13.0 **No Third-Party Beneficiaries**

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

14.0 **Waiver**

14.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

14.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Cooperative. Any waiver of this Agreement shall, if requested, be provided in writing.

15.0 **Multiple Counterparts**

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

16.0 **No Partnership**

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

**17.0 Severability**

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

**18.0 Subcontractors**

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

18.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the Cooperative be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

18.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

**19.0 Reservation of Rights**

Nothing in this Agreement shall limit the rights of the Parties except to the extent that the Parties otherwise agree as provided herein.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Cooperative]

[Insert name of Interconnection Customer]

\_\_\_\_\_

Signed: \_\_\_\_\_

Name (Printed):  
\_\_\_\_\_

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

\_\_\_\_\_

Signed: \_\_\_\_\_

Name (Printed):  
\_\_\_\_\_

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

**Attachment A to  
Facilities Study Agreement  
Data to Be Provided by the Interconnection Customer  
with the Facilities Study Agreement**

Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, circuits, etc.

On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

One set of metering is required for each generation connection to the new ring bus or existing Cooperative station. Number of generation connections: \_\_\_\_\_

Will an alternate source of auxiliary power be available during CT/PT maintenance?  
Yes \_\_\_\_ No \_\_\_\_

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes \_\_\_\_ No \_\_\_\_  
(Please indicate on the one-line diagram).

What type of control system or PLC will be located at the Small Generating Facility?  
\_\_\_\_\_  
\_\_\_\_\_

What protocol does the control system or PLC use?  
\_\_\_\_\_  
\_\_\_\_\_

Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, transmission/distribution line, and property lines.

Physical dimensions of the proposed interconnection station:  
\_\_\_\_\_

Bus length from generation to interconnection station:

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Line length from interconnection station to Cooperative's System.

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Tower number observed in the field. (Painted on tower leg)\*:

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Number of third party easements required for lines\*:

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\* To be completed in coordination with Cooperative.

Is the Small Generating Facility located in Cooperative's service area?

Yes \_\_\_\_\_ No \_\_\_\_\_ If No, please provide name of local provider:

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Please provide the following proposed schedule dates:

Begin Construction Date: \_\_\_\_\_

Generator step-up transformers  
receive back feed power Date: \_\_\_\_\_

Generation Testing Date: \_\_\_\_\_

Commercial Operation Date: \_\_\_\_\_