
**RENEWABLE ENERGY STANDING OFFER LIMITED PURCHASE AND SALE PROGRAM
PHASE 2
(BUY-ALL/SELL-ALL)**

In order to provide for the safety of Member-Consumers, Cooperative personnel, and others, and to ensure reliable electric service consistent with Phase 2 of the generation and transmission Cooperative's ("G&T") standing offer for 10 MW of solar and wind renewable energy, the following requirements are established for connection and/or operation of Member-Consumer generation facilities in parallel with the Cooperative's distribution system, beginning July 1, 2018.

Availability

The Cooperative's Phase 2 Buy-All/Sell-All Program is available on a first come, first serve, limited basis until the G&T's standing offer expires upon full 10 MW subscription.

These requirements govern all Member-Consumer-owned generation facilities, which generate all of their electricity using a solar or wind renewable energy generator ("Member-Consumer Facility"), with a nameplate of 100 kW or less.

Member-Consumers wishing to participate in the Buy-All/Sell-All program shall submit a completed Buy-All/Sell-All Application and the \$100 application fee to the Cooperative for review. Upon approval of the Buy-All/Sell-All Application, the Cooperative shall issue a Buy-All/Sell-All Interconnection and Purchase Agreement ("Agreement") between the Member-Consumer, the Cooperative, and the G&T. Member-Consumers must complete construction and meet commercial operation of the Member-Consumer Facility within 180 days of signing the Buy-All/Sell-All Interconnection and Purchase Agreement.

The nameplate of the renewable energy generator size is limited to 100 kW per Member-Consumer. The Member-Consumer's entire renewable energy generator must fit within the limit and must be located on the Member-Consumer's premises. If a Member-Consumer has more than one renewable energy generator, the generators' ratings must be summed and the sum may not exceed 100 kW.

Upon enrolling in this Buy-All/Sell-All program, the term of the Agreement is 20 years. A participating Member-Consumer may terminate participation in the Buy-All/Sell-All program at any time and for any reason.

If the Member-Consumer does not meet (or, for the term of the Agreement, continue to meet) all of the requirements of the Agreement, as well as the requirements listed below, the Cooperative may require termination of parallel operation and the Member-Consumer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the Member-Consumer's Facility.

(Continued on Sheet No. D-25.01)

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By Bill Scott
President and CEO
Boyne City, Michigan

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(Continued from Sheet No. D-25.00)**

Safety and Reliability Requirements

The Member-Consumer shall submit for the Cooperative's review detailed electric diagrams, equipment nameplate data, including the interface device and control system of the Member-Consumer's power source and a site plan.

The Member-Consumer's control and protection system and site plan must be acceptable to the Cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the Facility and the Cooperative system in the event of momentary or extended loss of power from the Cooperative, including loss of one or more phases if the Member-Consumer is generating three phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and/or current deviate from normal utility standards. The Member-Consumer shall be liable if the Member-Consumer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the Cooperative may, at its discretion, inspect or test the facility at any time.

The Member-Consumer shall advise the Cooperative prior to making any revisions to the Facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Cooperative.

Should the parallel operation of the Facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the Cooperative's system or other Member-Consumers' service, the Cooperative may require disconnection of parallel operation until the condition has been corrected.

Metering

Separate metering shall be installed to determine generation output. The Member-Consumer Facility must deliver, to the Cooperative's system, all energy generated. The Member-Consumer shall pay the incremental cost of all such metering above the cost for meters provided for similarly situated non-generating Member-Consumers. Any service upgrades or protective equipment/devices necessary to accommodate the output of the generating unit(s), as determined by the Cooperative, shall be at the Member-Consumer's expense.

(Continued on Sheet No. D-25.02)

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Reimbursement of Costs

The Member-Consumer shall pay for all costs associated with any addition to (or alteration of) the Cooperative's equipment required for metering and for the safe and reliable operation of the Facility in parallel with the Cooperative's system, as noted above, as well as an interconnection study, at the request of the Cooperative. The Member-Consumer shall also pay for costs of changes required due to safety or adverse effects on other Member-Consumers and/or on the Cooperative caused by the connection and/or operation of the Member-Consumer's renewable energy generator.

The Cooperative may require reasonable and adequate insurance coverage by the interconnecting Member-Consumer and the Member-Consumer shall provide proof of liability coverage as may be required by the Cooperative.

Monthly Charges and Credits

The Member-Consumer shall pay the full retail rate in accordance with the Cooperative's standard service tariff applicable to the Member-Consumer for all energy delivered to the Member-Consumer by the Cooperative, including energy necessary to operate the Member-Consumer's renewable energy generator.

The Cooperative, as agent for the G&T, shall pay the Member-Consumer 6.5 cents per kWh for all energy delivered to the Cooperative by the Member-Consumer as a credit on the Member-Consumer's monthly bill. The credit will be applied to the energy charge of the standard service tariff applicable to the Member-Consumer and will be applied to the bill for that period. Any credit that is not used up during the current billing period shall be carried forward for use in subsequent billing periods.

If a credit accumulates to an amount greater than \$100, the Cooperative may pay the balance to the Member-Consumer as an agent for the G&T.

If a Member-Consumer terminates service with the Cooperative while having a remaining credit amount on their account, the G&T shall pay, through its agent, the Cooperative, the remaining credit amount to the Member-Consumer following a final reading by the Cooperative of the Member-Consumer's meter.