

**MINNESOTA UNIFORM STATEWIDE CONTRACT FOR COGENERATION AND  
SMALL POWER PRODUCTION FACILITIES**

THIS CONTRACT is entered into \_\_\_\_\_, 2017, by OTTER TAIL POWER COMPANY, a Minnesota Corporation, (hereafter called "Utility" or "Otter Tail") and \_\_\_\_\_ (hereafter called "QF").

**RECITALS**

The QF has installed electric generating facilities, consisting \_\_\_\_\_. The QF is prepared to generate electricity in parallel with the Utility.

The QF's electric generating facilities meet the requirements of the Minnesota Public Utilities Commission (hereafter called "Commission") rules on Cogeneration and Small Power Production and any technical standards for interconnection the Utility has established that are authorized by those rules.

The Utility is obligated under federal and Minnesota law to interconnect with the QF and to purchase electricity offered for sale by the QF.

A contract between the QF and the Utility is required by the Commission's rules.

The QF and the Utility agree:

**AGREEMENTS**

1. The Utility will sell electricity to the QF under the rate schedule in force for the class of customer to which the QF belongs.

2. The Cooperative Electric Association or Municipally Owned Electric Utility will buy electricity from the QF under the current rate schedule filed with the Commission. The QF elects the rate schedule category hereinafter indicated:

\_\_\_\_ a. Average retail utility energy rate under part 7835.3300.

\_\_\_\_ b. Simultaneous purchase and sale billing rate under part 7835.3400.

\_\_\_\_ c. Time-of-day purchase rates under part 7835.3500.

A copy of the presently filed rate schedule is attached to this contract.

3. The Public Utility will buy electricity from the QF under the current rate schedule filed with the Commission. If the QF has less than 40 kilowatts capacity, the QF elects the rate schedule category hereinafter indicated:

- a. **Average retail utility energy rate under part 7835.4013.**
- b. Simultaneous purchase and sale billing rate under part 7835.4014.
- c. Time-of-day purchase rates under part 7835.4015.

A copy of the presently filed rate schedule is attached to this contract.

4. The Public Utility will buy electricity from the QF under the current rate schedule filed with the Commission. If the QF is not a net metered facility and has at least 40 kilowatts capacity but less than 1,000 kilowatt capacity, the QF elects the rate schedule category hereinafter indicated:

- a. Simultaneous purchase and sale billing rate under part 7835.4014.
- b. Time-of-day purchase rates under part 7835.4015.

A copy of the presently filed rate schedule is attached to this contract.

5. The Public Utility will buy electricity from a net metered facility under the current rate schedule filed with the Commission or will compensate the facility in the form of a kilowatt-hour credit on the facility's energy bill. If the net metered facility has at least 40 kilowatts capacity but less than 1,000 kilowatts capacity, the QF elects the rate schedule category hereinafter indicated:

- a. Kilowatt-hour energy credit on the customer's energy bill, carried forward and applied to subsequent energy bills, with an annual true-up under part 7835.4017.
- b. Simultaneous purchase and sale billing rate under part 7835.4014.
- c. Time-of-day purchase rates under part 7835.4015.

A copy of the presently filed rate schedule is attached to this contract.

6. The rates for sales and purchases of electricity may change over the time this contract is in force, due to actions of the Utility or of the Commission, and the QF and the Utility agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.

7. The Public Utility, Cooperative Electric Association, or Municipally Owned Electric Utility will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF, other than kilowatt-hour credits under clause 5, will be made under one of the following options as chosen by the QF:

- a. Credit to the QF's account with the Utility.
- b. Paid by check to the QF within 15 days of the billing date.

8. Renewable energy credits associated with generation from the facility are owned by: **QF unless directed otherwise by state law or OTP tariff. (QF or Utility)**

9. The QF must operate its electric generating facilities within any rules, regulations, and policies adopted by the Utility not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, part 7835.4500, and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.

10. The Utility's rules, regulations, and policies must conform to the Commission's rules on Cogeneration and Small Power Production.

11. The QF will operate its electric generating facilities so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.

12. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$ 0.00. The QF will pay the Utility in this way: **In accordance with the interconnection agreement between the Otter Tail and the QF.**

13. The QF will give the Utility reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Utility's side of the interconnection. If the Utility enters the QF's property, the Utility will remain responsible for its personnel.

14. The Utility may stop providing electricity to the QF during a system emergency. The Utility will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.

15. The Utility may stop purchasing electricity from the QF when necessary for the Utility to construct, install, maintain, repair, replace, remove, investigate, or inspect any equipment or facilities within its electric system. The Utility will notify the QF before it stops purchasing electricity in this way: **In accordance with interconnection agreement between the Otter Tail and the QF.**

16. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The amount of insurance coverage will be **\$300,000**. (The amount must be consistent with the Commission's interconnection standards under Minnesota Rules, part 7835.4750).

17. This contract becomes effective as soon as it is signed by the QF and the Utility. This contract will remain in force until either the QF or the Utility gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.

18. This contract contains all the agreements made between the QF and the Utility except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject matter of this contract. The QF and the Utility are not responsible for any agreements other than those stated in this contract.

THE QF AND THE UTILITY HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

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QF

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

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OTTER TAIL POWER COMPANY

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

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(Title)