

**Attachment 2: Simplified Application Form (cont'd)**  
**Exhibit A – Terms and Conditions for Interconnecting an Inverter-Based DER No Larger than 20 kW**

1.0 Construction of the Facility

The Interconnection Customer (the “Customer”) may proceed to construct (including operational testing not to exceed two hours) the Distributed Energy Resource(s) when the Area EPS Operator (the “Company”) approves the Interconnection Application (the “Application”).

2.0 Interconnection and Operation

The Customer may operate Distributed Energy Resource(s) and interconnect with the Company’s electric system once all of the following have occurred:

2.1 Upon completing construction, the Customer will cause the Distributed Energy Resource(s) to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 The Customer returns the Certificate of Completion to the Company, and

2.3 The Company:

2.3.1 Shall have the opportunity to witness test as described in Minnesota Technical Requirements, but takes no liability for the results of the test. Completes its inspection of the Distributed Energy Resource(s) to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes and standards. All inspections must be conducted by the Company, at its own expense, within ten Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written permission to operate authorization that the Distributed Energy Resource(s) has passed inspection or shall notify the Customer of what steps it must take to pass inspection within three (3) Business Days.

or

2.3.2 Does not schedule an inspection of the Distributed Energy Resource(s) within ten business days after receiving the Certificate of Completion, in which case the witness test is deemed waived (unless the Parties agree otherwise).

or

2.3.3 Waives the right to inspect the Distributed Energy Resource(s).

2.4 The Company has the right to disconnect the Distributed Energy Resource(s) in the event of: 1) improper installation or failure to return the Certificate of Completion, or 2) does not meet any of the requirements of this Agreement or, 3) if applicable, refusal to sign Uniform Statewide Contract.

- 2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable Minnesota Technical Requirements.
- 2.6 If the Distributed Energy Resource(s) either: 1) does not use default IEEE 1547-2018 functions and settings; or 2) is not yet subject to a developed national standard or national certification, then at the option of the Area EPS Operator there needs to be in place an operating agreement to document and govern the operation of the Distributed Energy Resource(s).
- 3.0 Safe Operations and Maintenance
- The Customer shall be fully responsible to operate, maintain, and repair the Distributed Energy Resource(s) as required to ensure that it complies at all times with the interconnection standards to which it has been certified.
- 4.0 Access
- The Company shall have access to the disconnect switch, if required by the Area EPS Operator, and metering equipment of the Distributed Energy Resource(s) at all times as described in Minnesota Technical Requirements. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.
- 5.0 Disconnection
- The Company may temporarily disconnect the Distributed Energy Resource(s) upon the following conditions:
- 5.1 For scheduled outages upon reasonable notice.
- 5.2 For unscheduled outages or emergency conditions.
- 5.3 If the Distributed Energy Resource does not operate in the manner consistent with these Terms and Conditions.
- 5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.
- 5.5 If the Customer is in Default it may be disconnected after a 60-day written notice is provided and the Default is not cured during this 60-day notice. This provision does not apply to disconnection based on outages or emergency conditions.
- 6.0 Treatment Similar to Other Retail Customers
- 6.1 The Customer may be disconnected consistent with the rules and practices for disconnecting other retail electrical customer.
- 7.0 Indemnification
- 7.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement.
- 7.2 The Parties shall at all times indemnify, defend, and save the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions

of its obligations under this agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 7.3 This indemnification obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of the indemnified Party, but the indemnifying Party's liability to indemnify the indemnified Party shall be reduced in proportion to the percentage by which the indemnified Party's negligent or intentional acts, errors or omissions caused the damages.
- 7.4 Neither Party shall be indemnified for its damages resulting from its sole negligence, intentional acts or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy.
- 7.5 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 7.6 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.
- 8.0 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.
- 9.0 Insurance
- The Parties agree to follow all applicable insurance requirements imposed by Minnesota. All insurance policies must be maintained with insurers authorized to do business in Minnesota. See MN DIP Section 5.10.
- 10.0 Limitation of Liability
- 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, except as allowed under paragraph 6.0.
- 11.0 Termination
- The agreement to operate in parallel may be terminated under the following conditions:

11.1 By the Customer

By providing written notice to the Company

11.2 By the Company

If the Distributed Energy Resource(s) fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions.

11.3 Permanent Disconnection

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Distributed Energy Resource.

11.4 Survival Rights

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

12.0 Assignment/Transfer of Ownership of the Facility

This Agreement shall survive the transfer of ownership of the Distributed Energy Resource(s) to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.