



A Touchstone Energy® Cooperative

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Your Touchstone Energy® Cooperatives

ATTACHMENT 7

**AGREEMENT FOR ELECTRIC SERVICE
FOR QUALIFYING COGENERATION OR SMALL POWER PRODUCTION
FACILITIES WITH NET METERING**

This Agreement, made and dated as of _____, by and between
North Western Electric Cooperative, Inc. (hereinafter called “the Power Company”) and
_____ (hereinafter called the “Member”), for electric
service at _____, Ohio, _____,
Power Company Location No. _____ (hereinafter called the “Premises”):

WITNESSETH:

WHEREAS, North Western Electric Cooperative, Inc. is a not-for-profit corporation organized under the laws of the State of Ohio engaged in the business of selling electric power and energy at retail with its principal place of business located at 04125 State Route 576, Bryan, Ohio, 43506; and

WHEREAS, the Member is [a _____ organized under the laws of the State of _____ doing business in the State of Ohio, which] or [an individual who] owns and operates all land and facilities located on the Premises; and

WHEREAS, the Member has or will install on the Premises certain member-owned electric generating facilities up to [25] [OR] [100] kW in the aggregate, which electric generating facilities (the “Electric Generating Facility”) are more particularly described in Exhibit E to the Agreement for Interconnection and Parallel Operation of a Qualifying Cogeneration or Small Power Production Facility up to [25] [OR] [100] kW of even date herewith by and between North Western Electric Cooperative and the Member (the “Agreement for Interconnection and Parallel Operation”); and

WHEREAS, the Electric Generating Facility is a certified qualifying cogeneration or small power production facility under the Public Utility Regulatory Policies Act of 1978, as amended, and all governmental regulations lawfully promulgated thereunder (“PURPA”); and

WHEREAS, the output of the Electric Generating Facility is not reasonably anticipated to exceed the annual electric energy requirements of Member’s electric consuming facilities located on the Premises, as described herein; and



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WHEREAS, the Member desires to interconnect the Electric Generating Facility to North Western Electric Cooperative's electric distribution system and to use the output of the Electric Generating Facility to first meet the requirements of the Member's electric consuming facilities located on the Premises and then transfer to North Western Electric Cooperative any such output in excess of the requirements of the Member's electric consuming facilities and receive a credit against the Member's bill for electric service under the Net Metering arrangements described in this Agreement, the Agreement for Interconnection and Parallel Operation, and North Western Electric Cooperative's Net Metering Rate Schedule, which is attached hereto; and

WHEREAS, North Western Electric Cooperative desires to sell, and the Member desires to purchase, electric power and energy to meet the requirements of Member's electric consuming facilities not served by the Electric Generating Facility under the terms and conditions hereinafter set forth; and

WHEREAS, a single meter or pair of meters has been or will be installed at the Premises, which meter or meters is/are capable of registering the flow of electricity in each direction from North Western Electric Cooperative's electric distribution system to Member's electric consuming facilities on the Premises, and from Member's Electric Generating Facility to North Western Electric Cooperative's electric distribution system, at the point of interconnection ("Net Metering");

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Subject to the terms and conditions of this Agreement, North Western Electric Cooperative shall sell and deliver to the Member, and the Member shall purchase and receive, all of the electric power and energy which the Member may need at the Premises up to _____ kW, except for any such electric demand and energy which is served by Member's Electric Generating Facility.
2. Service hereunder shall be alternating current, _____ phase, _____ cycles, _____ volts for Location No. _____.
3. The Member shall pay North Western Electric Cooperative for service hereunder at the rate and upon the terms and conditions set forth in the North Western Electric Cooperative's Net Metering Rate Schedule, which is attached hereto and made a part of this Agreement as if fully restated herein. North Western Electric Cooperative's Net Metering Rate Schedule will be superseded by any new or amended Net Metering Rate Schedule from time to time by the Board of Trustees of North Western Electric Cooperative. Payment for the service provided



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hereunder shall be made at the office of North Western Electric Cooperative, or at such other place as North Western Electric Cooperative shall hereafter designate in writing.

4. If the Member shall fail to make any such payment within fifteen (15) days after such payment is due, North Western Electric Cooperative may discontinue service to the Member upon giving no less than fifteen (15) days written notice to the Member of its intention to do so, provided however, that such discontinuance of service shall not relieve the Member of any of its obligations under this Agreement.

5. The Member is or shall become a member of North Western Electric Cooperative and be bound by such rules and regulations as may from time to time be adopted by the Cooperative.

6. The Member shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of electric power and energy and shall not sell or transfer to others the electric power and energy purchased hereunder, without permission of North Western Electric Cooperative; provided, however, that Member may operate the Electric Generating Facility upon the terms and conditions and for the purposes set forth in this Agreement, the Agreement for Interconnection and Parallel Operation, and North Western Electric Cooperative's Net Metering Rate Schedule which is attached hereto and made a part of this Agreement as if fully restated herein. The Member represents and warrants to North Western Electric Cooperative that the Electric Generating Facility is a certified qualifying cogeneration or small power production facility under PURPA. The Member represents and warrants to North Western Electric Cooperative that the output of the Electric Generating Facility is not reasonably anticipated to exceed the annual electric energy requirements of Member's electric consuming facilities located on the Premises. For purposes of this Agreement and the Agreement for Interconnection and Parallel Operation, the Electric Generating Facility's output will be presumed to be "not reasonably anticipated to exceed the annual electric energy requirements of the Member's electric consuming facilities located on the Premises" if the Electric Generating Facility annually generates less than one hundred and twenty percent (120%) of the Member's annual electric energy requirements. The Member's "annual electric energy requirements" shall be the average amount of electricity consumed annually by the Member for the electric consuming facilities located on the Premises over the previous three years, using the annual period of June 1 to May 31. If North Western Electric Cooperative does not have the data or cannot calculate the average amount of electricity consumed annually over the previous three years, such as in instances of new construction or vacant properties, North Western Electric Cooperative shall use any available consumption data to estimate the annual electricity consumption for the Member's electric consuming facilities located on the Premises and provide the estimation data to the Member. If the Electric Generating Facility annually generates one hundred and twenty percent (120%) or more of the Member's annual electric energy



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requirements, determined as set forth above, the Electric Generating Facility's output will be presumed to be "reasonably anticipated to exceed the annual electric energy requirements of the Member's electric consuming facilities located on the Premises," and North Western Electric Cooperative may, in its sole discretion, elect to cease providing electric service to the Member pursuant to North Western Electric Cooperative's Net Metering Rate Schedule and, instead, elect to provide electric service to the Member at the rate and upon the terms and conditions set forth in North Western Electric Cooperative's Back-Up and Supplementary Electric Service Rate Schedule, and require the Member to (a) sell the output of the Electric Generating Facility to Buckeye Power, Inc. ("Buckeye") on an hourly basis at Buckeye's avoided cost rate, as determined by Buckeye in its sole discretion, (b) reimburse North Western Electric Cooperative for the cost of the installation of hourly metering facilities (currently estimated to cost up to \$ _____), (c) reimburse Buckeye for the cost of its telemetering facilities (currently estimated to cost up to \$10,000), (d) pay Buckeye a monthly billing and service fee (currently \$100 per month), and (e) terminate this Agreement and the Agreement for Interconnection and Parallel Operation, and enter into a Power Purchase Agreement with Buckeye, an Agreement for Electric Service for Back-Up and Supplementary Electric Service with North Western Electric Cooperative, and an Agreement for Interconnection and Parallel Operation with North Western Electric Cooperative, to contemplate the elimination of net metering and the purchase of the Electric Generating Facility output by Buckeye on an hourly basis at Buckeye's avoided cost rate.

7. The Member shall use the output of the Electric Generating Facility first to meet the requirements of Member's electric consuming facilities located on the Premises on an hourly basis. Any output of the Electric Generating Facility in excess of the requirements of Member's electric consuming facilities on an hourly basis shall be transferred to North Western Electric Cooperative and credited on a kilowatt-hour (kWh) basis against the Member's monthly bill for electric service hereunder in the same month in which the kWh billing credit is generated, all in accordance with the Net Metering arrangements set forth in this Agreement, the Agreement for Interconnection and Parallel Operation, and the Net Metering Rate Schedule attached hereto. Member shall only be entitled to receive a kWh billing credit for any such output of the Electric Generating Facility in excess of the requirements of the Member's facilities on an hourly basis; provided, however, that, in the event that North Western Electric Cooperative has not elected to cease providing net metering as provided in Section 6 of this Agreement, and Member generates hourly net metering kWh billing credits in any month in excess of Member's kWh usage for such monthly billing period, (a) North Western Electric Cooperative will inform Buckeye of the existence of such excess monthly kWh billing credits; (b) Buckeye will purchase such excess kWh monthly billing credits at Buckeye's avoided cost rate, as determined by Buckeye in its sole discretion, and credit North Western Electric Cooperative's wholesale power bill for such dollar amount;



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(c) North Western Electric Cooperative's load shall not be reduced by the amount of such excess monthly kWh billing credits purchased by Buckeye; (d) North Western Electric Cooperative shall credit Member's monthly power bill with the dollar amount of the monthly billing credits paid by Buckeye to North Western Electric Cooperative; and (e) in the event that at the end of the annual period ending May 31 of each year the aggregate dollar amount of the monthly billing credits for such year exceeds the aggregate dollar amount of North Western Electric Cooperative's charges to the Member for such year, North Western Electric Cooperative shall issue a check to the Member for such excess dollar amount. North Western Electric Cooperative] **OR** [The Member] shall be entitled to all environmental attributes of the Electric Generating Facility during the term of this Agreement. [North Western Electric Cooperative] **OR** [The Member] shall have the sole and exclusive right to designate the Electric Generating Facility as a renewable resource during the term of this Agreement in order to satisfy any federal, state or local renewable energy requirement, renewable energy procurement requirement, renewable energy portfolio standard, or other renewable energy mandate.

8. Whenever the North Western Electric Cooperative's facilities located at the Premises are relocated solely to suit the convenience of the Member, the Member shall reimburse North Western Electric Cooperative for the entire cost incurred in making such change.

9. (a) North Western Electric Cooperative will use reasonable diligence in furnishing a regular and uninterrupted supply of electric power and energy, but does not guarantee uninterrupted service. North Western Electric Cooperative shall not be liable for damages or other losses in case such supply is interrupted, curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to the Member is delayed by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, governmental action, loss of power supply, breakdowns or injury to the machinery, transmission or distribution lines or other facilities of North Western Electric Cooperative, repairs, maintenance or any cause beyond North Western Electric Cooperative's control; provided, however, that in no event shall North Western Electric Cooperative be liable for personal injury, wrongful death, property damage or other losses not caused by or due to the gross negligence or willful and wanton misconduct of North Western Electric Cooperative; provided, further, however, that in no event shall North Western Electric Cooperative be liable for consequential damages of any nature whatsoever in case such supply of power and energy should be interrupted, curtailed, reduced, fluctuates, becomes irregular, or fails, or the commencement of service to the Member is delayed; and provided further that the failure of the Member to receive electric power and energy because of any of the aforesaid conditions shall not relieve the Member of its obligation to make payments to North Western Electric Cooperative as provided herein.

(b) The point at which service is delivered by North Western Electric Cooperative to the



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Member at North Western Electric Cooperative's Location No. _____ on the Premises, to be known as the "point of interconnection", shall be the point at which the Member's electric consuming facilities located on the Premises are connected to North Western Electric Cooperative's electric distribution system. North Western Electric Cooperative shall not be liable for any loss, injury or damage resulting from the Member's use of its facilities or equipment or occasioned by the power and energy furnished by North Western Electric Cooperative beyond the point of interconnection.

(c) The Member shall provide and maintain suitable protective devices on its equipment to prevent any loss, injury or damage that might result from any fluctuation or irregularity in the supply of electric power and energy. North Western Electric Cooperative shall not be liable for any loss, injury or damage resulting from any fluctuation or irregularity in the supply of power and energy which could have been prevented by the use of such protective devices.

(d) North Western Electric Cooperative will provide and maintain the necessary lines or service connections, metering and other apparatus which may be required for the proper measurement of and rendition of its service, and for the proper measurement of the output of Member's Electric Generating Facility. All such apparatus shall be owned and maintained by North Western Electric Cooperative. A single meter or pair of meters will be installed which shall be capable of registering the flow of electricity in each direction from North Western Electric Cooperative's electric distribution system to Member's electric consuming facilities located on the Premises, and from the Member's Electric Generating Facility to North Western Electric Cooperative's electric distribution system, at the point of interconnection.

10. In the event of loss or injury to the property of North Western Electric Cooperative through misuse by, or the negligence of, the Member or the employees of the same, the cost of the necessary repairs or replacement thereof shall be paid to North Western Electric Cooperative by the Member.

Member will be responsible for any person tampering with, interfering with, or breaking the seals or meters or other equipment of North Western Electric Cooperative installed at the Premises. The Member hereby agrees that no one except the employees of or persons duly authorized by North Western Electric Cooperative shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of North Western Electric Cooperative. The Member shall provide North Western Electric Cooperative reasonable access at all times to North Western Electric Cooperative's meters and other facilities of North Western Electric Cooperative located on the Premises.

11. Metering equipment used in determining the demand and amount of electric power and energy supplied hereunder, and the demand and amount of electric power and energy produced by Member's Electric Generating Facility, shall be tested and calibrated, if required,



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by North Western Electric Cooperative. If any metering equipment shall be found inaccurate, it shall be restored to the extent possible to a 100.0% accurate condition; or new metering equipment to the extent necessary shall be substituted so that, as far as possible, 100.0% accuracy shall always be maintained. The Member shall have the right to request that a special meter test be made at any time. In the event a test made at the Member's request discloses that the meter tested is registering correctly, or within two percent (2%) above or below 100.0% accuracy at full load, Member shall bear the expense of such meter test.

The results of all such tests and calibrations shall be open to examination by the Member and a report of every requested test shall be furnished to the Member. Any meter tested and found to be not more than two percent (2%) above or below 100.0% accuracy at full load, shall be considered to be accurate in so far as correction of billing is concerned. If as a result of any test, any meter is found to register in excess of two percent (2%) above or below 100.0% accuracy at full load, then the readings of such meter previously taken for billing purposes shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond the last regular monthly billing period occurring prior to the day on which inaccuracy is discovered by such test, and no correction shall be made for a longer period than that during which it may be determined by mutual agreement of the parties involved that the inaccuracy existed. North Western Electric Cooperative will bear the cost of the meter test if any meter is found to register in excess of two percent (2%) above or below 100.0% accuracy at full load.

For any period that metering equipment is found to have failed wholly, or in part, to register and for which no alternate metering is available, it shall be assumed that the demand established, or electric energy delivered, as the case may be, during said period is the same as that for a period of like operation during which such meter was in service and operating.

North Western Electric Cooperative shall notify the Member in advance of the time of any meter test so that a representative of the Member may be present.

12. Duly authorized representatives of North Western Electric Cooperative shall be permitted to enter the Premises at all reasonable times in order to carry out the provisions hereof.

13. This Agreement shall begin on the date first written above and shall continue until the ten year anniversary of the commencement of the term of this Agreement unless extended, terminated or cancelled. This Agreement shall automatically renew for successive periods of one (1) year each, unless either party provides notice of termination at least 90 days prior to the end of the then current term, in which case the Agreement shall terminate at the end of the then current term. North Western Electric Cooperative may terminate this Agreement at any time upon material breach by Member of its obligations under this Agreement.



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14. (a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and assigns; provided, however, this Agreement shall not be assigned by the Member without the prior written consent of North Western Electric Cooperative, any such assignment by the Member being null and void without such consent.

(b) This Agreement shall not be effective unless approved in writing by all governmental agencies from which approval is required.

15. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, except for any conflicts of law’s provisions.

16. All present or future federal, state, municipal or other lawful taxes payable by reason of the sale or purchase or Net Metering of the output of the Electric Generating Facility, the production of electrical output from the Electric Generating Facility, or the ownership of the Electric Generating Facility, under this Agreement shall be paid by Member. Without limiting the generality of the foregoing, the Member shall be solely responsible for: any Ohio kilowatt-hour taxes associated with the production of electricity from the Electric Generating Facility; any Ohio public utility property taxes associated with the Member’s ownership of the Electric Generating Facility; and any state or federal income taxes associated with the Member’s receipt of payments or Net Metering by North Western Electric Cooperative or Buckeye under this Agreement. Member acknowledges that neither North Western Electric Cooperative nor Buckeye has represented to the Member that the Member will not be subject to any such kilowatt-hour taxes, public utility property taxes, or state or federal income taxes as a result of the Net Metering arrangements described in this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

NORTH WESTERN ELECTRIC COOPERATIVE, INC.

WITNESS:

By:

Name:

Title

WITNESS:

By:

Name:

Title
