

**SUN RIVER ELECTRIC COOPERATIVE
ELECTRICAL SYSTEM INTERCONNECTION AGREEMENT**

THIS AGREEMENT is made and entered into this _____ day of _____, _____, by and between Sun River Electric Cooperative, Inc., a rural electric cooperative organized and existing under the laws of the State of Montana (the "Cooperative"), and _____, a Sun River Electric Cooperative member that has chosen to generate electricity and interconnect with the Cooperative utility system ("Member").

WITNESSETH

WHEREAS, the Cooperative is an electric distribution cooperative that owns and operates electric transmission, and distribution facilities in the State of Montana; and

WHEREAS, the Cooperative's electric transmission and distribution systems interconnects with the electric systems of other electric utilities; and

WHEREAS, each Party desires to establish terms and conditions for interconnected operation of their respective systems in order that the interchange of electric power and energy may be affected in accordance with present and expected future conditions of electric loads, generating capacities, transmission facilities, and contractual arrangements of the Parties with each other and with other electric systems.

NOW, THEREFORE, in consideration of these premises and the mutual benefits to be obtained from the covenants herein, the Cooperative and Member agree as follows:

TERM OF AGREEMENT

This agreement shall become effective upon approval by the Cooperative.

The initial term of this agreement is one (1) year. The agreement will continue in successive one (1) year periods, automatically, unless terminated by either the Cooperative or the Member in the manner set forth below.

The Member may elect to terminate at any time, upon thirty (30) days written notice to the Cooperative.

The Cooperative may elect to terminate upon thirty (30) days written notice to the Member, if

- (1) The Member has breached this Agreement;
- (2) The Member has violated the Cooperative's policy on interconnection agreements,

as that policy may from time to time be formulated.

Upon termination of this Agreement, electric service under this Agreement and the reimbursement schedule shall terminate. In the absence of a successor agreement, all points of delivery shall be opened. At such time or at any time thereafter, each party shall have the right at its own expense to physically disconnect and remove its facilities. In the event of such termination, neither party shall be liable to the other party with respect to any obligations under this agreement except to pay services rendered prior to termination of the agreement.

Notwithstanding any provision herein to the contrary, the Cooperative reserves the right to disconnect the Member's generation equipment without notice immediately upon the identification of any threat to injury or damage to the Cooperative's distribution or transmission system or to the person or property of the Member, the Cooperative or any third party.

INTERCONNECTION

PLANS

No interconnection of a Member's generation facility shall be approved by the Cooperative without the Member first submitting to the Cooperative plans for such interconnection in conformity with the Cooperative's interconnection policy, No. 314.

A Sun River Electric Cooperative representative shall review and approve the Member's generation facilities before interconnection with the Cooperative's transmission and distribution system will be allowed. This review will include safety considerations relevant to both parties, the feasibility of such interconnection and the benefits of such, for both the Member and the Cooperative. The Cooperative will not impose higher standards on the Member than on itself.

Approval of the Member's plans by the Cooperative shall not, however, be construed to constitute a guaranty of the adequacy of any such equipment or devices. The Cooperative reserves the right to operate any protective and control equipment of the Member, if in the Cooperatives opinion, such equipment may jeopardize the safety or security of the Cooperative's system.

POINTS OF INTERCONNECTION

Upon approval of such plans, the Cooperative and Member shall electrically interconnect facilities, wherever mutually agreeable, for the purpose of making electrical power and energy available to each other at the specific Points of Interconnection and subject to the terms and conditions of this Agreement and applicable Rate Schedules. For the purposes of this Agreement, a Point of Interconnection is defined as a point of physical connection of Cooperative facilities and Member facilities where power may flow either to the Cooperative or to the Member.

INTERCONNECTION FACILITIES

Each Party shall provide, operate, and maintain all facilities on its side of the Point of Interconnection to permit the exchange of electrical power.

STANDARDS FOR CONSTRUCTION OF FACILITIES

Each Party shall construct and at all times maintain its lines, equipment, and other facilities provided for in this Agreement in accordance with standards and specifications at least equal to those provided by the National Electrical Safety Code of the American National Standards Institute and other applicable recognized utility standards and practices. The installation of such equipment and devices shall conform with Prudent Utility Practice. Each new point of physical interconnection between Parties will be treated on an individual basis.

METERING FACILITIES

The electric power delivered at the Point of Interconnection shall be measured by one meter provided by the Cooperative. The meter will register forward KWH usage and also reverse KWH generation that is returned into the SREC system. Testing, maintenance, and reading from the meter will be done by the Cooperative in the same manner as other meters on the Cooperative System.

RATE

The member may use the energy generated at the meter location and any excess put into the SREC utility system can be “banked” or netted against the energy purchased from the utility. The members account will be reviewed at the end of each billing period and any excess generation will be applied to the following months billing. The energy placed on the utility system will not be purchased by the utility.

MAINTENANCE

The Member will maintain and service his generating facilities as necessary for safe and reliable operation and maintain a log, available for inspection by the Cooperative, showing the inclusive dates and times thereof when the facilities were shut down for repairs and maintenance, the repairs or maintenance then completed, and when the facilities were placed back in service.

INDEMNITY

The Member will indemnify and hold the Cooperative, its trustees, employees, representatives, agents and other members harmless from injury or loss caused wholly or in part

by the Member's maintenance, operation or use of his generation facilities.

INSURANCE

The Member will obtain and maintain in full force and effect, at his sole expense, insurance against personal injury and property damage arising from the installation, interconnection, and operation of his generation facilities.

RELATIONSHIP of the PARTIES

Nothing contained in this Agreement shall be construed to create an association, joint venture, partnership, or any other type of entity between the Cooperative, Member, or any other entity.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in duplicate by their duly authorized officers or representatives and their corporate seals to be hereunto affixed as of the day and year first above written.

ATTEST: SUN RIVER ELECTRIC COOPERATIVE, INC.

By: _____

ATTEST: MEMBER

By: _____