APPENDIX A-1

THE NEW MEXICO INTERCONNECTION MANUAL

To be Used in Conjunction with New Mexico Public Regulation Commission Rule 17.9.575 NMAC, Interconnection of Generating Facilities with a Rated Capacity Up to and Including 10 MW Connecting to a Rural Electric Cooperative's System

OUTLINE

1. Overview
   - 1.1 Objective
   - 1.2 Applicability
   - 1.3 Definitions
2. General Review of the Process
   - 2.1 Review Process
   - 2.2 Description of General Review Path
   - 2.3 Determinations for Further Review
   - 2.4 Review Process Determination
   - 2.5 Supplemental Review
3. Utility Review Flow Chart
4. Screen Criteria
5. Network Screening Process
6. Customer Options Meeting and Supplemental Review
   - 6.1 Customer Options Meeting
   - 6.2 Supplemental Review
7. Simplified Interconnection-10 KW Inverter Process
   - 7.1 Availability
   - 7.2 Interconnection Application
   - 7.3 Contact Information
   - 7.4 Notification of Receipt
   - 7.5 Notification of Application Status
   - 7.6 Initial Review
   - 7.7 Completed Application
   - 7.8 Testing and Certificate of Completion
8. Fast Track Process
   - 8.1 Availability
   - 8.2 Notification of Receipt
   - 8.3 Initial Review
   - 8.4 Applicable Screens
9. Full Interconnection Study
   - 9.1 Availability
   - 9.2 Notification of Receipt
   - 9.3 Notification of Application Status
   - 9.4 Scoping Meeting
   - 9.5 Feasibility Study
   - 9.6 Impact Study
   - 9.7 Interconnection Equipment
   - 9.8 Utility System Modifications
   - 9.9 Facilities Study
   - 9.10 Interconnection Agreement

9.11 Interconnection Milestones
9.12 Generating Facility Installation Compliance
10. Operating Requirements
10.1 Power Quality
10.2 Disconnection
11. Definitions

1. OVERVIEW

1.1 Objective:

The purpose of 17.9.575 NMAC and this Manual is to set forth common interconnection requirements and a common interconnection process based on a common screening process for Rural Electric Cooperatives (referred to as "rural electric cooperatives" or "utilities" throughout this manual) and Interconnection Customers to expeditiously interconnect Generating Facilities in a safe and reliable manner.

1.2 Applicability:

The interconnection standards and procedures described in this Manual apply to Generating Facilities with a Rated Capacity up to and **including** 10 MW. The interconnection standards and procedures described in 17.9.569 NMAC apply only to Generating Facilities with a Rated Capacity greater than 10 MW. The Parties shall use the procedures and forms described in this Manual and 17.9.575 NMAC for interconnections of Generating Facilities with rated capacities up to and including 10 MW unless the Parties mutually agree to use a different procedure or form. consistent with the Public Utility Act.

1.3 Definitions:

Capitalized terms used in this Manual shall have the meanings specified in Section 12.

2 GENERAL REVIEW OF THE PROCESS:

2.1 Review Process:

This review process allows for rapid approval for the interconnection of those Generating Facilities that do not require an interconnection study. The review process includes a screening by the Utility to determine if a Supplemental Review is required. The general guidelines for the interconnection review process are shown in **Table 1.**

Table 1 - General Guidelines for the Interconnection Process

Interconnection Review Process*	**Application Type**	**Likely DG System Size**
Simplified Interconnection Process	Simplified Application (See Appendix B-1)	0 ≤ 25kW
Fast Track Process with or without Supplemental Review	Standard Application (See Appendix B-2)	>25 kW & ≤ 1.0 MW
Full Interconnection Study Process	Standard Application (See Appendix B-2)	>1.0 MW
Case Specific Study Process	Standard Application (See Appendix B-2)	>1 MW

***These guidelines are provided to indicate the review process that most applications will follow. The technical requirements in the screening process will determine which review process must be followed. Neither the type of application nor the system size will guarantee a specific interconnection review process.**

2.2 Description of General Review Path:

The Utility shall utilize the interconnection screening process shown in Figure 1 that results in four general review paths for proposed interconnection of Generating Facilities:

A. **Simplified Interconnection** - For Certified Inverter-based Generating Facilities with a power rating of 25 kilowatts (kW) or less on radial or Network Systems under certain conditions;

B. **Fast Track with or without Supplemental Review** - For certified Generating Facilities that pass certain specified screens and likely would have a power rating of 1.0 megawatts (MW) or less, or

C. **Full Interconnection Study** - For Generating Facilities that have a power rating of 1.0 megawatts (MW) or less and do not qualify for the Simplified or Fast Track process.

D. **Case Specific Review Process:** For Generating Facilities with a Rated Capacity greater than 1.0 megawatts (MW), which shall be conducted pursuant to 17.9.569 NMAC.

2.3 Determinations for Further Review:

Failure to pass any screen of the review process means only that further review and/or studies are required before the Generating Facility can be approved to interconnect to the utility's Distribution System. It does not mean that the Generating Facility cannot be interconnected.

2.4 Review Process Determination:

These guidelines are provided to indicate the review process that most applications will follow. The technical requirements in the screening process will determine which review process must be followed. Neither the type of application submitted nor the size of the Generating Facility will guarantee a specific interconnection review process.

2.5 Supplemental Review:

Supplemental Review is not a Full Interconnection Study. Supplemental Review is a process wherein the Utility further reviews an Interconnection Application that fails one or more of the initial review screens. Under some circumstances, Supplemental Review may be unnecessary. See section 6 of this Manual.

3 UTILITY REVIEW FLOW CHART:

The flow charts provided in Figure 1 and 2 are illustrations of the review process to be used by the Utility to evaluate Interconnection Applications. Detail about the screens is described in Section 6, Screening Criteria.

FIGURE 1: UTILITY REVIEW PROCESS FOR INTERCONNECTION

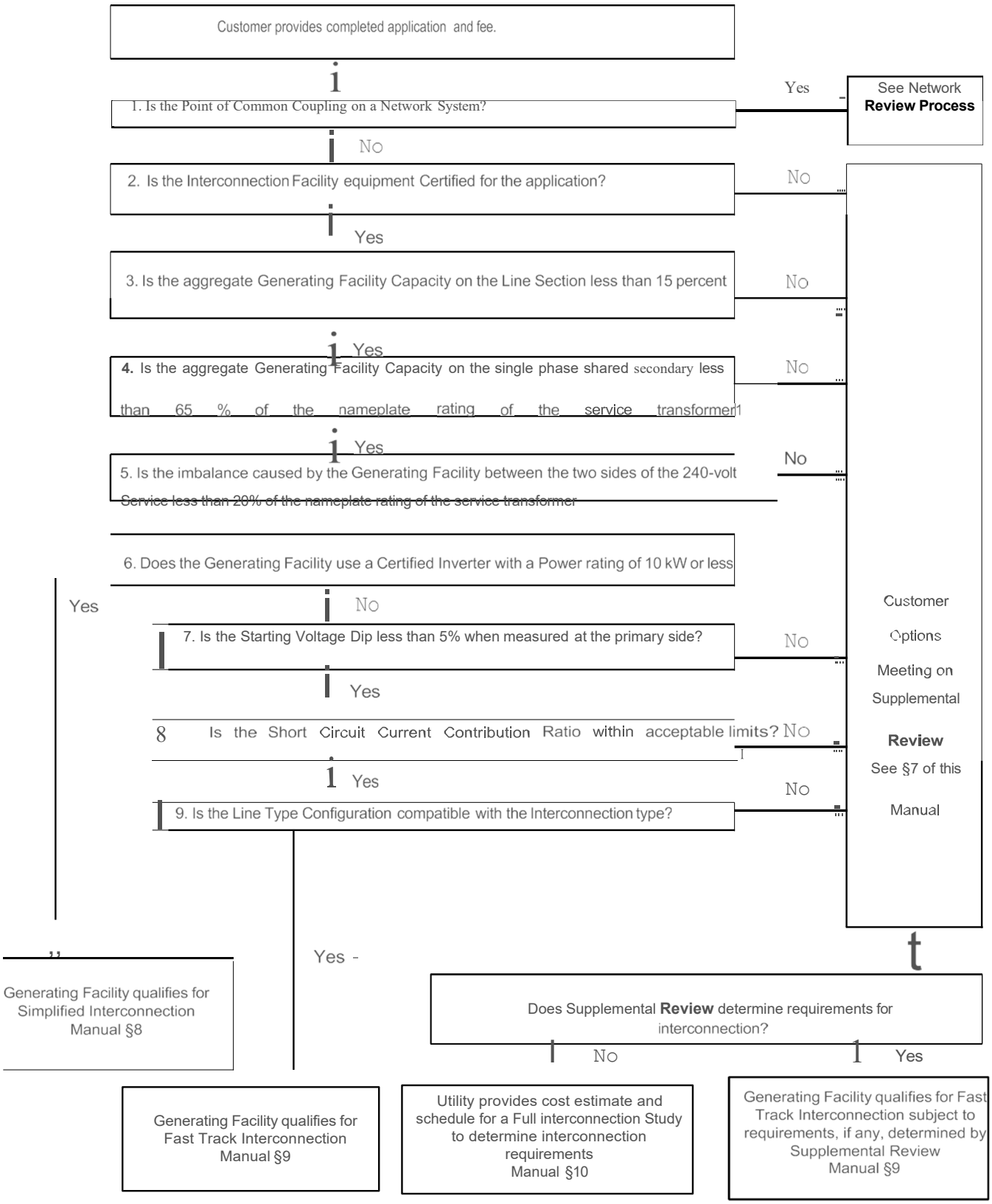
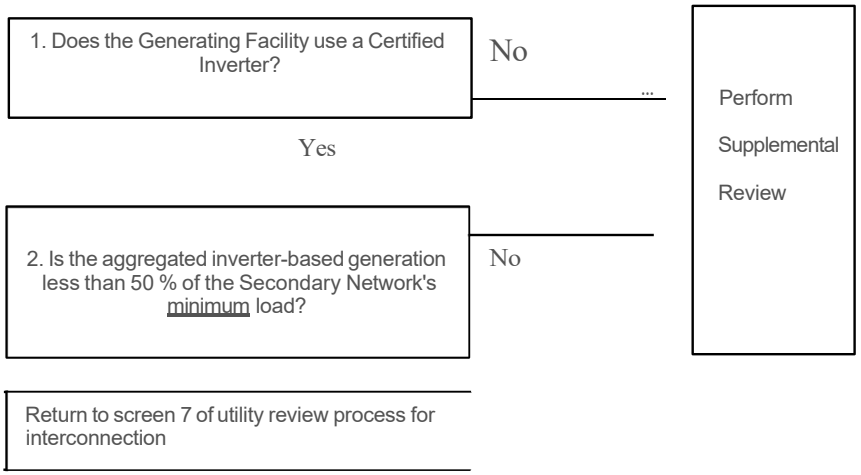


Figure 2: Utility Review Process for Interconnection to Network Systems



Screens 4 and *5* apply only to single-phase interconnections.

4. SCREEN CRITERIA:

Utilities shall use the following screen criteria, as applicable, to evaluate Interconnection Applications.

Screen 1: Is the Point of Common Coupling on a Network System?

If Yes, the Utility will review the proposed interconnection to a Network System as shown in the flowchart in Figure 2.
If No, continue to next screen.

The significance of Screen I: Special considerations must be given to Generating Facilities proposed to be installed on networked Distribution Systems because of the design and operational aspects of network protectors. There are no such considerations for radial Distribution Systems

Screen 2: Is the Interconnection Facility equipment certified for the application?

If Yes, continue to next screen.
If No, the Generating Facility or Interconnection Facilities do not qualify for Simplified Interconnection. Perform Supplemental Review.

Screen 3: Is the aggregate Generating Facility capacity on the Line Section less than 15% of Line Section peak load?

If Yes, continue to next screen.
If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review to determine cumulative impact on Line Section.

A. For interconnection of a proposed Generating Facility to a distribution circuit, the "aggregate Generation Facility capacity" includes the proposed Generating Facility but excludes generation that does not run in parallel with the utility for greater than 10 minutes.
B. For interconnection of a proposed Generating Facility to a distribution circuit, the "aggregate Generation Facility capacity", including the proposed Generating Facility, on the Line Section shall not exceed 15% of the Line Section's annual peak load as most recently measured at the substation or calculated for the Line Section.
C. For Highly Seasonal Circuits only, the "aggregate Generation Facility capacity", including the proposed Generating Facility, on the Line Section shall not exceed 15% of two times the Minimum Daytime Loading.

The significance of Screen 3:

1. Low penetration of Generating Facility installations will have a minimal impact on the operation and load restoration efforts of the utility's Distribution System.

2. The operating requirements for a high penetration of Generating Facilities may be different since the impact on utility's Distribution System will no longer be minimal and, therefore, require additional study or controls.

3. `In Line Sections that are not highly seasonal, there will be minimal impact on the operation and load restoration efforts of the utility's Distribution System when aggregate Generating Facility capacity is less than 15%. For penetration in excess of I 5%, the impact on the utility's Distribution System operating requirements may no longer be minimal, and therefore, may require additional study.

4. Highly Seasonal Circuits include those with heavy irrigation loads in the summer or snowmaking loads in the winter. In Highly Seasonal Circuits, the 15% of Line Section annual peak load criterion could result in aggregate Generating Facility capacity exceeding load on the Line Section at times. Therefore, a lower threshold is applied for Highly Seasonal Circuits.

5. Aggregate Generating Facility capacity does not include generators that rarely run in parallel with the utility's Distribution System, such as back-up and emergency generators, because those generators have minimal impact on the Distribution System.

Screen 4: For single phase interconnections only -- Is the aggregate generation capacity on the Shared Secondary, including the proposed Generating Facility, less than 65 % of the nameplate rating of the service transformer?

If Yes, continue to next screen.

If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

If the proposed Generating Facility is to be interconnected on a single-phase Shared Secondary, the aggregate Generating Facility capacity on the Shared Secondary, including the proposed Generating Facility, shall not exceed 65% of the transformer nameplate rating.

Screen 5: For single phase interconnections only - Is the imbalance between the two sides of the 240 volt service less than 20 % of the nameplate rating of the service transformer?

If Yes, continue to next screen.

If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

If the proposed Generating Facility is single-phase and is to be interconnected on a center tap of a 120/240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

Screen 6: Does the Facility use a Certified Inverter with a capacity rating of 25 kW or less?

If Yes, the Generating Facility qualifies for Simplified Interconnection. Skip remaining screens.

If No, continue to next screen.

Screen 7: Is the starting voltage dip less than 5% and have the flicker requirements of IEEE 519 been met?

If Yes, continue to next screen.

If No, perform Supplemental Review.

The Generating Facility must conform with two tests to pass Screen 7.

I. The first test is for starting voltage dip. The Utility has two options for determining whether the starting voltage dip is acceptable. The option to be used is at the Utility's discretion:

a. Option I: The Utility may determine that the Generating Facility's starting in-rush current is equal to or Jess than the continuous ampere rating of the Interconnection Customer's service equipment.

b. Option 2: The Utility may determine the impedances of the service distribution transformer (if present) and the secondary conductors to the Interconnection Customer's service equipment and perform a voltage dip calculation. Alternatively, the Utility may use tables or nomographs to determine the voltage dip. Voltage dips caused by starting a Generating Facility must be less than 5%, when measured at the primary side (high side) of a dedicated distribution transformer serving the Generating Facility, for primary interconnections. The 5% voltage dip limit applies

to the distribution transformer low side if the low side is shared with other customers and to the high side if the transformer is dedicated to the Interconnection Customer.

II. The second test is conformance with the relationship between voltage fluctuation and starting frequency presented in the table for flicker requirements in IEEE 519.

The significance of Screen 7:

1. This Screen addresses potential voltage fluctuation problems that may be caused by Generating Facilities that start by motoring or large induction generators.

2. When starting, the Generating Facility should have minimal impact on the service voltage to other utility customers.

3. Properly designed inverter-based Generating Facilities should conform with the requirements of this screen.

Screen 8: Is the Short Circuit Current Contribution Ratio within acceptable limits?

If Yes, continue to next screen.
If No, Perform Supplemental Review.

Screen 8 consists of two criteria; both of which must be met when applicable:

1. When measured at the primary side (high side) of a dedicated distribution transformer serving a Generating Facility, the sum of the Short Circuit Current Contribution Ratios of all Generating Facilities connected to utility's Distribution System circuit that serves the Generating Facility must be less than or equal to 0.1, and
2. When measured at the secondary side (low side) of a shared distribution transformer, the short circuit current contribution of the proposed Generating Facility must be less than or equal to 2.5% of the interrupting rating of the Generating Facility's service equipment. Total fault current cannot exceed interrupting capability of service equipment.

The significance of Screen 8: If the Generating Facility passes this screen, it should have minimal impact on the utility Distribution System's short circuit duty, fault detection sensitivity, relay coordination or fuse-saving schemes.

Screen 9: Is the Line Type Configuration compatible with the interconnection type?

If Yes, the Generating Facility qualifies for Fast Track Interconnection.
If No, Perform Supplemental Review.

The purpose of Screen 9 is to identify the primary distribution line configuration that will serve the Generating Facility. Based on the type of interconnection to be used for the Generating Facility, the utility will determine from Table 2 if the proposed Generating Facility passes the screen.

Table 2

Primary Distribution line Type Configuration	Type of interconnection to be made to primary distribution line	Results/criteria
Three-phase, three wire	Any type	Pass screen
Three-phase, four Wire	Single phase, line-to-neutral	Pass screen
Three-phase. four wire (For any line that has such a section OR mixed three wire and four wire)	All others	To pass, aggregate GF Nameplate Rating must be less than or equal to 10% of Line Section peak load

The significance of Screen 9: If the primary distribution line serving the Generating Facility is of a "three-wire" configuration, or if the Generating Facility's distribution transformer is single-phase and connected in a line-to-neutral configuration, then there is no concern about over-voltages to the utility's, or other customers'

equipment caused by loss of system neutral grounding during the operating time of the non-islanding protective function.

5. NETWORK SCREENING PROCESS:

Notwithstanding Network Screens 1-2 below, each Utility may incorporate into its interconnection standards, any change in interconnection guidelines related to Network Systems pursuant to standards developed under IEEE 1547 and subparts when applicable for interconnections to Network Systems. To the extent the new IEEE standards or guides conflict with the interconnection standards set forth in this Section 6, the new standards or guides shall apply.

Network Screen 1: **Does the Generating Facility use a Certified Inverter?**

If Yes, continue to next screen.
If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

Network Screen 2: Is the aggregated inverter-based generation less than 50% of the Secondary Network's minimum load?

If Yes, the Generating Facility qualifies for Fast Track Process.
If No, the Generating Facility does not qualify for Fast Track Process. Perform Supplemental Review.

The significance of Network Screen 2: For interconnection of a proposed Generating Facility to the load side of network protectors, the proposed Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed 50% of the Secondary Network's minimum load

6. CUSTOMER OPTIONS MEETING AND SUPPLEMENTAL REVIEW:

6.1 Customer Options Meeting:

Within **ten (10) Business Days** of the Utility's completion of its initial review, the Utility shall offer to convene a Customer Options Meeting with the Utility to review possible Interconnection Customer facility modifications or the screen analysis and related results to determine what further steps are needed to permit the Generating Facility to be connected safely and reliably. At the time of notification of the Utility's determination, or at the Customer Options Meeting, the Utility shall:

A. Offer to perform facility modifications or minor modifications to the Utility's electric System (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Utility's electric System and offer to continue the screening process; or

B. Offer to perform a Supplemental Review if the Utility concludes that the Supplemental Review might determine that the Generating Facility could continue to qualify for interconnection pursuant to the Fast Track Process, and provide a non-binding good faith estimate of the costs and time of such review; or

C. Offer to continue evaluating the Interconnection Application under the Full Interconnection Study Process.

6.2 Supplemental Review:

A. If the Interconnection Customer agrees to a Supplemental **Review,** as described in this Section, the Interconnection Customer shall agree in writing within fifteen (15) Business Days of the offer, and submit a deposit for the estimated costs provided by the utility. The Interconnection Customer shall be responsible for the Utility's actual costs for conducting the Supplemental Review. The Interconnection Customer shall pay any review costs that exceed the deposit within twenty (20) Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Utility will return such excess within twenty (20) Business Days of the invoice without interest. Within **ten (10) Business Days** following receipt of the deposit for a Supplemental Review, the Utility will complete the Supplemental Review. A Small Utility that uses a consultant to review an Interconnection Application may extend each of the time deadlines for review of the Fast Track Process by a period not to exceed **twenty (20) Business Days** provided that the Small Utility shall make a good faith effort to complete the review sooner.

B. If the Generating Facility can be interconnected safely and reliably, the Utility shall forward an executable interconnection agreement to the Interconnection Customer within **five (S) Business Days.**

1. If Interconnection Customer facility modifications are required to allow the Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under this Manual,

the Utility shall forward an executable interconnection agreement to the Interconnection Customer within five (5) **Business Days** after confirmation that the Interconnection Customer has agreed to make the necessary changes at the Interconnection Customer's cost.

2. If minor modifications to the Utility's electric System are required to allow the Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under the Fast Track Process, the Utility shall forward an executable interconnection agreement to the Interconnection Customer **within ten** (10) **Business Days** that requires the Interconnection Customer to pay the costs of such System modifications prior to interconnection.

C. If the Utility cannot determine within **ten (10) Business Days** that the Generating Facility can be interconnected safely and reliably, the Utility shall, if the Interconnection Customer agrees, continue to evaluate the Interconnection Application using the Full Interconnection Study Process.

7. SIMPLIFIED INTERCONNECTION-25 KW INVERTER PROCESS:

7.1 Availability:

The Simplified Interconnection process is available to an Interconnection Customer proposing to interconnect its Generating Facility to a non-Network System using a Certified Inverter that is 25 kW or smaller. The application process uses an all-in-one document that includes a simplified Interconnection Application, simplified procedures, and a brief set of terms and conditions.

7.2 Interconnection Application:

The Interconnection Customer completes the applicable Interconnection Application set forth in the Appendices to 17.9.575 and submits it to the Utility.

7.3 Contact Information:

The Interconnection Customer must provide its contact information. If another Person is responsible for interfacing with the Utility, that contact information must be provided on the Application.

7.4 Notification of Receipt:

The Utility acknowledges to the Interconnection Customer receipt of the Interconnection Application within **three** (3) **Business Days** of receipt.

7.5 Notification of Application Status:

The Utility evaluates the Interconnection Application for completeness and notifies the Customer within **ten (10) Business Days** of receipt that the Interconnection Application is or is not complete and, if not, advises the Interconnection Customer what material is missing.

7.6 Initial Review:

Within **fifteen (15) Business Days** of receipt of a complete Interconnection Application, the Utility shall conduct an initial review, which shall include the following criteria:

A. Applicable Screens: Screens 1 through 6. For interconnections to a Utility's Network System, the proposed Generating Facilities must also pass the Network Screening Process in Section 6, above.

B. No construction of facilities by the Utility on its own system shall be required to accommodate the Generating Facility.

7.7 Completed Application:

Unless the Utility determines and demonstrates that the Generating Facility cannot be interconnected safely and reliably, the Utility will provide the Interconnection Customer the completed Interconnection Application in the form of Appendix B - 1 , subject to the terms and conditions for simplified interconnections provided in 17.9.575.17.

7.8 Testing and Certification of Completion:

A. Customer may proceed with operational testing not to exceed two hours.

B. Upon completion, the Interconnection Customer provides written notice of completion to the Utility. Prior to parallel operation, the Utility may inspect the Generating Facility for compliance with standards, which may include a witness test, and may schedule appropriate metering replacement, if necessary. If the inspection is not satisfactory, the Utility has the right to disconnect the Generating Facility. The Utility is obligated to complete the inspection within **ten (10) Business Days** of the receipt of the notice of completion.

C. Within five (5) Business Days of the Utility's completion of inspection and testing or the Utility's waiver of the right to inspect and test, the Utility notifies the Interconnection Customer in writing, which may be delivered by fax or e-mail, that interconnection of the Generating Facility is authorized.

8. FAST TRACK PROCESS:

8.1 Availability:

The Fast Track Process is available to an Interconnection Customer if the Generating Facility is generally no larger than 1.0 MW and if the Interconnection Customer's proposed Generating Facility meets the codes, standards, and certification requirements of this Manual.

8.2 Notification of Receipt:

A Utility will acknowledge to the Interconnection Customer receipt of the Interconnection Application within **three (3) Business Days** of receipt.

8.3 Initial Review:

Within fifteen (15) Business Days after the Utility notifies the Interconnection Customer that it has received a complete Interconnection Application, the Utility shall perform an initial review using the screens set forth below and shall notify the Interconnection Customer of the results. A Small Utility that uses a consultant to review an Interconnection Application may extend each of the time deadlines for review of the Fast Track Process by a period not to exceed **twenty** (20) **Business Days** provided that the Small Utility shall make a good faith effort to complete the review sooner.

8.4 Applicable Screens:

All Screens 1-9. For interconnections to a Utility's Network System, the proposed Generating Facilities must also pass the network screening criteria.

A. If the proposed interconnection passes the screens, the Interconnection Application shall be approved and the Utility will provide the Interconnection Customer an executable interconnection agreement in the form of Appendix C-2 within five (5) **Business Days** after the determination.

B. If the proposed interconnection fails the screens, but the utility determines that the Generating Facility may nevertheless be interconnected the Utility wi11 provide the Interconnection Customer an executable interconnection agreement in the form of Appendix C-2 within **five (5) Business Days** after the determination.

C. If the proposed interconnection fails the screens, but the Utility does not or cannot determine from the initial review that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the utility shall provide the Interconnection Customer with the opportunity to attend a Customer Options Meeting.

D. The Utility shall notify the Interconnection Customer and provide copies of the data and analyses underlying its conclusion within five (5) **Business Days,** if the Utility makes any of the following determinations:

1. The Interconnection Application cannot be approved without minor modifications at minimal cost

2. The Interconnection Application cannot be approved without a Supplemental Review or other additional studies or actions by the Utility, or The Interconnection Application may result in a significant cost to address safety, reliability, or power quality problems.

9. FULL INTERCONNECTION STUDY:

9.1 Availability:

The Full Interconnection Study process shall be used for an Interconnection Customer proposing to interconnect its Generating Facility with the Utility's System if the Generating Facility is not larger than 10 MW and (1) does not include a Certified Equipment Package, or (2) includes a Certified Equipment Package but did not pass the Fast Track Process or the Simplified Interconnection 10 kW Inverter Process. A Full Interconnection Study shall provide an in-depth engineering review of the interconnection addressing all aspects of generator performance and grid interaction and take into account the unique circumstances that require the Full Interconnection Study

9.2 Notification of Receipt:

The Utility shall notify the Interconnection Customer of the receipt of the Interconnection Application or the transfer from the Simplified or Fast Track interconnection procedures within **three (3) Business Days.**

9.3 Notification of Application Status:

The Utility shall evaluate the Interconnection Application and notify the Interconnection Customer within **ten (10) Business Days** of receipt that the Interconnection Application is complete or incomplete. If the Interconnection Application is incomplete, the Utility shall provide notice to the Interconnection Customer and a written list that describes all information that must be provided to complete the Interconnection Application. When the Interconnection Application is complete, the Utility shall assign a queue position based on the date of receipt of the completed Interconnection Application.

9.4 Scoping Meeting:

The Utility will conduct an initial review that includes a scoping meeting with the Interconnection Customer, if applicable, within **ten (10) Business Days** of determination that an Interconnection Application is complete. At the scoping meeting the Utility shall provide pertinent information such as: the available fault current at the proposed location, the existing peak loading on the lines in the general vicinity of the proposed Generation Facility, and the configuration of the distribution lines at the proposed Point of Common Coupling. By mutual agreement of the Parties, the Feasibility Study, Impact Study or Facilities Study may be waived.

9.5 Feasibility Study:

At the Interconnection Customer's request and within five (5) **Business Days** of the scoping meeting, the Utility will provide a good faith estimate of the cost and time to undertake a Feasibility Study that provides a preliminary review of the potential impacts on the Distribution System from the proposed interconnection and a proposed Feasibility Study agreement. The Feasibility Study will provide a preliminary review of short circuit currents, including contribution from the proposed Generation Facility, and coordination and potential overloading of distribution circuit protection devices. If the Interconnection Customer agrees to the Feasibility Study, the Interconnection Customer shall provide an executed agreement and a deposit for the estimated costs provided by the Utility.

9.6 Impact Study:

If the Feasibility Study determines that an Impact Study is not required, the Impact Study may be waived by mutual agreement. If an Impact Study is required, within **ten (10) Business Days** of the completion of the Feasibility Study, the Utility shall provide to the Interconnection Customer an Impact Study agreement, including a cost estimate for the Impact Study. Once the Interconnection Customer executes the Impact Study agreement and pays a deposit pursuant to the good faith estimate contained therewith, the Utility shall conduct the Impact Study.

9.7 Interconnection Equipment:

For Generating Facilities that use certified interconnection equipment, no review of the interconnection equipment is required.

9.8 Utility System Modifications:

A. If the Utility determines that the Utility's electric System modifications required to accommodate the proposed interconnection are not substantial, the Impact Study will identify the scope and cost of the

modifications as defined in the Impact Study results and no Facilities Study shall be required.

B. If the Utility determines that the System modifications to the utility's electric System are substantial, the results of the Impact Study will provide a good faith estimate for the modification costs (within ± 25 percent). The detailed costs of, and the electric System modifications necessary to interconnect the proposed Generating Facility shall be identified in a Facilities Study to be completed by the Utility.

9.9 Facilities Study:

A Facilities Study agreement, with a good faith estimate of the cost of completing the Facilities Study, shall be submitted to the Interconnection Customer for approval. Once the Interconnection Customer executes the Facilities Study agreement and pays pursuant to the terms thereof, the Utility shall conduct the Facilities Study.

9.10 Interconnection Agreement:

Within **five (5) Business Days** of completion of the Impact Study and/or Facilities Study, the Utility shall send the Interconnection Customer an executable interconnection agreement including a quote for any required electric System modifications. Within **thirty (30) Business Days** of the receipt of an interconnection agreement, the Interconnection Customer shall execute and return the interconnection agreement.

9.11 Interconnection Milestones:

The Facilities Study shall indicate the milestones for completion of the Interconnection Customer's installation of its Generation Facility and the Utility's completion of any electric System modifications, and the milestones from the Facilities Study (if any) shall be incorporated into the interconnection agreement.

9.12 Generating Facility Installation Compliance:

The Utility shall inspect the completed Generating Facility installation for compliance with requirements and attend any required commissioning tests pursuant to IEEE Standard 1547. l. Provided that any required commissioning tests are satisfactory, the Utility shall notify the Interconnection Customer in writing that operation of the Generating Facility. The Interconnection Customer shall notify the Utility if there is any anticipated change in the proposed date of initial interconnected operations of the Generating Facility.

10. OPERATING REQUIREMENTS:

10.1 Power Quality:

Power quality, including but not limited to harmonic limits and flicker requirements, shall be consistent with recommendations in IEEE 1547.

10.2 Disconnection:

If the Utility determines that any equipment connected to the Utility's System is problematic or unsafe, the Utility may disconnect the Generating Facility from the Utility's System and provide the Interconnection Customer with written justification for its determination.

DEFINITIONS:

Business Day means Monday through Friday, excluding holidays observed by the Utility.

Certified Equipment Package means equipment has been tested in accordance with the applicable requirements of IEEE Std 1547™-2018 and IEEE Std 1547.1™-2020 by any nationally recognized testing laboratory (NRTL) recognized by the United States occupational safety and health administration to test and certify equipment pursuant to the applicable standard and the equipment has been labeled and is publicly listed by such NRTL at the time of the interconnection application. Equipment installed prior to March 28, 2023 will also be considered certified if it has been tested in accordance with IEEE Std 1547™-2003 and 1547.1™-2005.

Certified Inverter means an inverter that has been tested and listed by a nationally recognized testing and certification

laboratory {NRTL) for continuous interactive operation with a utility grid and meets the definition for certification under Order 2006, issued by the Federal Energy Regulatory Commission on May 12, 2005, in Docket No. RM02-12-000.

Distribution System means the Utility's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades means the additions, modifications, and upgrades to the Utility's Distribution System at or beyond the Point of Common Coupling to facilitate interconnection of the Generating Facility and render the service necessary to effect the Interconnection Customer's operation of on-site generation. Distribution Upgrades do not include Interconnection Facilities.

Facility Study means the facilities study that specifies and estimates the cost of the equipment, engineering, procurement, and construction work (including overheads) needed to implement the conclusions of the System Impact Study.

Feasibility Study means the study that identifies any potential adverse System impacts that would result from the interconnection of the Generating Facility.

Generating Facility means the Interconnection Customer's device for the production of electricity identified in the Interconnection Application, including all generators, electrical wires, equipment, and other facilities owned or provided by the Interconnection Customer for the purpose of producing electric power.

Grid Network means a Secondary Network system with geographically separated network units where the network- side terminals of the network protectors are interconnected by low-voltage cables that span the distance between sites. The low-voltage cable circuits of Grid Networks are typically highly meshed and supplied by numerous network units. Grid Network is also commonly referred to as area network or street network.

Highly Seasonal Circuit means a circuit with a ratio of annual peak load to off-season peak load greater than six (6).

Impact Study means a System impact study that identifies and details the electric System impacts that would result if the proposed Generating Facility were interconnected without project modifications or electric System modifications, focusing on the adverse System impacts identified in the Feasibility Study, or to study potential impacts, including but not limited to those identified in the scoping meeting. A System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the electric System.

Interconnection Application means the request by an Interconnection Customer to interconnect a new Generating Facility, or to increase the capacity or make a material modification to the operating characteristics of an existing Generating Facility that is interconnected with the Utility's System.

Interconnection Costs means the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administration incurred by the Utility which are directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Generating facility to the extent such costs are in excess of the corresponding costs which the Utility would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of power itself or purchased an equivalent amount of power from other sources. Interconnection costs do not include any costs included in the calculation of avoided costs pursuant to 17.9.570 NMAC.

Interconnection Customer means any person that proposes to interconnect its Generating Facility with the Utility's System.

Interconnection Facilities means the Utility's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Common Coupling, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Utility's System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades.

Line Section means that portion of a Utility's System connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

Minimum Daytime Loading means the lowest daily peak in the year on the Line Section.

Network System means a collection of Spot Networks, Secondary Networks, or combinations of such networks on a Primary Network Feeder or Primary Network Feeders that supply them. This may also consist of primary feeders networked ("tied together") to supply connected loads.

Network Transformer means a transformer designed for use in a vault to feed a variable capacity system of interconnected secondaries.

Party means the Utility and the Interconnection Customer separately or in combination.

Person for purposes of this Manual means an individual, firm, partnership, company, rural electric cooperative organized under Laws 1937, Chapter 100 or the Rural Electric Cooperative Act, corporation or lessee, trustee or receiver appointed by any court.

Point of Common Coupling means the point where the Interconnection Facilities connect with the Utility's System.

Power Conversion Unit (PCU) means an inverter or AC generator, not including the energy source.

Primary Network Feeder means a feeder that supplies energy to a Network System or the combination of a Network System and other radial loads. Dedicated Primary Network Feeders are feeders that supply only Network Transformers for the Grid Network, the Spot Network, or both. Non-dedicated Primary Network Feeders, sometimes called combination feeders, are feeders that supply both Network Transformers and non-network load.

Qualifying Facility means a cogeneration facility or a small power production facility which meets the criteria for qualification contained in 18 C.F.R. Section 292.203.

Rated Capacity. means the total AC nameplate rating of the Power Conversion Unit(s) at the Point of Common Coupling.

Secondary Network means the low-voltage circuits supplied by the network units (the Network Transformer and its associated network protector).

Secondary Network System means an AC power Distribution System in which Customers are served from three- phase, four-wire low-voltage circuits supplied by two or more Network Transformers whose low-voltage terminals are connected to the low-voltage circuits through network protectors. The Secondary Network system has two or more high-voltage primary feeders, with each primary feeder typically supplying multiple Network Transformers, depending on network size and design. The Secondary Network system includes automatic protective devices intended to isolate faulted primary feeders, Network Transformers, or low-voltage cable sections while maintaining service to the customers served from the low-voltage circuits.

Shared Secondary means any connection on the secondary side of a distribution transformer that serves more than one customer.

Short Circuit Current Contribution Ratio means the ratio of the Generating Facility's short circuit contribution to the short circuit contribution provided through the Utility's Distribution System for a three-phase fault at the high voltage side of the distribution transformer connecting the Generating Facility to the Utility's System.

Small Utility means a Utility that serves less than 50,000 customers.

Spot Network means a Secondary Network system consisting of two or more network units at a single site. The low-voltage network side terminals of these network units are connected together with bus or cable. The resulting interconnection structure is commonly referred to as the "paralleling bus" or "collector bus." In Spot Networks, the paralleling bus does not have low-voltage ties to adjacent or nearby Secondary Network systems. Such Spot Networks are sometimes called isolated spot networks to emphasize that there are no low-voltage connections to network units at other sites.

Study Process means the procedure for evaluating an Interconnection Application that includes the Full Interconnection Study scoping meeting, Feasibility Study, System Impact Study, and Facilities Study.

System means the facilities owned, controlled, or operated by the Utility that are used to provide electric service under a Utility's tariff.

System Emergency means a condition on a Utility's System that is likely to result in imminent significant disruption of service to customers or is imminently likely to endanger life or property.

Upgrade means the required additions and modifications to the Utility's System at or beyond the Point of Common Coupling. Upgrades do not include Interconnection Facilities.

Utility means a rural electric cooperative, as that term is used in the Rural Electric Cooperative Act, NMSA 1978, §§ 62-15-1 *et seq*.

Appendix B-1

Simplified Interconnection Application Certified Inverter-Based Generating Facilities With an Export Capacity up to and including 25 kWAC and a Nameplate Rating not exceeding 50 kW

This Application is considered complete when it provides all applicable and correct information required below. Additional information to evaluate the Application may be required.

Processing Fee

A fee of $150 must accompany this Application.

Interconnection Customer

Name:

Contact Person:

Address:

City: State: Zip:

Telephone (Day): (Evening):

Fax: E-Mail Address: Engineering

Firm (If Applicable):

Contact Person:

Address:

City: State: Zip:

Telephone:

Fax: E-Mail Address:

Contact (if different from Interconnection Customer) Name:

Address:

City: State: Zip:

Telephone (Day): (Evening): Fax:

E-Mail Address:

Owner of the facility (include % ownership by any electric utility):

Generating Facility Information: Location (if

different from above):

Electric Service Company:

Account Number:

Inverter Information:

Inverter Manufacturer:__ Model Nameplate Rating:

(kW) (kVA) (AC Volts)

Export Capacity Value (in kW) (if Export Capacity is less than Nameplate Rating, denote export controls below):

_____

Single Phase_____Three Phase_____

Prime Mover: Photovoltaic, Reciprocating Engine, Fuel Cell, Turbine, Storage Batteries, Other (describe)

Energy Source: Solar, Wind, Hydro, Diesel, Natural Gas, Fuel Oil, Other (describe)

Is the equipment UL1741 Listed? Yes_____ No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date:_____Estimated In-Service Date: _____

Limited Export and Non-Export Controls Information

Manufacturer: _____

Model Number: _____

Limited Export or Non-Export? ☐ Limited Export ☐ Non-Export

Control Type:

_____ Reverse Power Protection

_____ Relative Distributed Energy Resource Rating

_____ Power Control System

Directional Power Protection

_____ Minimum Power Protection

_____ Configured Power Rating

_____ Export Control using mutually agreed-upon means

Control Power Setting: _____

Control Power Time Delay (if any): _____

Power Control System Open-Loop Response Time: Maximum _____ Average _____

When grid-connected, will the PCS employ any of the following? [Select all that apply]

- ☐ Unrestricted mode
- ☐ Export only mode
- ☐ Import only mode
- ☐ No exchange mode
- ☐ Export-limiting from all sources
- ☐ Export limiting from ESS
- ☐ Import limiting to ESS

Battery Storage Facility Information (If Applicable)

Do the batteries share an inverter with a renewable energy system? ☐ Yes ☐ No

Does the applicant intend to have the batteries charged by the distribution grid? ☐ Yes ☐ No

System Manufacturer: _____

Model: _____

Battery System Charge/Discharge Rating (kW AC): _____

Maximum Battery System Charge/Discharge Rate (kW AC per second): _____

Battery Energy Capacity (kWh): _____

Battery Operational Information

Backup – allows for partial or whole home transition to off-grid during a grid outage ☐ Yes ☐ No

Solar Self-Powered – the battery will charge from the renewable energy source during normal operation and discharge to serve loads behind your meter ☐ Yes ☐ No

Solar Non-Export – limits the export of energy to the grid to zero for both the battery and solar inverter, even if the battery system is fully charged and there is excess renewable source energy ☐ Yes ☐ No

Time-Based Control (sometimes called time-of-use or TOU mode) – the battery charges during off-peak hours and discharges to serve onsite loads during on-peak hours. ☐ Yes ☐ No

Describe any other intended operation of the battery: _____

_____

Reference Point of Applicability (RPA) Designation

Where is the desired RPA location? [Check one]

- ☐ Point of DER connection (PoC)
- ☐ Point of interconnection / point of common coupling (PCC)
- ☐ Another point between PoC and PCC
- ☐ Different RPAs for different DER units

Is the RPA location the same as above for detection of abnormal voltage, faults and open-phase conditions?

- ☐ Yes
- ☐ No (detection location must be denoted in the one-line diagram)

Why does this DER fit the chosen RPA? [Check all that apply]

- ☐ Zero-sequence continuity between PCC and PoC is maintained
- ☐ The DER aggregate Nameplate Rating is less than 500 kVA
- ☐ Annual average load demand is greater than 10% of the aggregate DER Nameplate Rating, and it is not capable of, or is prevented from, exporting more than 500 kVA for longer than 30 seconds.

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Generating Facility equipment, Reference Point of Applicability, current and potential circuits, and protection and control schemes.

Enclose copy of any site documentation that indicates the precise physical location of the proposed Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Enclose a copy of specification sheets for all applicable interface and control equipment, e.g., inverters, energy storage system, gateway, plant controller, automatic transfer switch and power control system. Are specification sheets enclosed?

___Yes_____No

The Simplified Process is available only for inverter-based Generating Facilities that have a nameplate rating that does not exceed 50 kilowatts (kW) and an export capacity that does not exceed 25 kilowatts (kW) and that meet the codes, standards, and certification requirements of Title 17.9.575.12, or the QRU has reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate.

List components of the Generating Facility equipment package that are currently certified:

Equipment Type Certifying Entity

1.

2.

3.

4.

5.

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility with a nameplate rating that does not exceed 50 kilowatts (kW) and an export capacity that does not exceed 25 kilowatts (kW) and return the notice of completion when the Generating Facility has been installed.

Signed:_____

Title:_____

Date:_____

Utility Signature

The undersigned Utility agrees to abide by the Terms and Conditions and that optional paragraph 6.0 Indemnification ÿ applies ÿ does not apply.

Signed:_____

Title:_____

Date:_____

Appendix B-2
Standard Interconnection Application

A Customer-Generator applicant ("Applicant") hereby makes application to _____ (Utility) to install and operate a generating facility interconnected with the utility system.

Written applications should be submitted by mail, e-mail or fax to [*insert utility name*], as follows:

[*Utility*]:_____
[*Utility's address*]: _____
Fax Number: _____
E-Mail Address: _____
[*Utility*] Contact Name: _____
[*Utility*] Contact Title: _____

An application is a Complete Application when it provides all applicable information required below. (Additional information to evaluate a request for interconnection may be required and will be so requested from the Interconnection Applicant by Utility after the application is deemed complete).

SECTION 1. APPLICANT INFORMATION

Legal Name of Interconnecting Applicant (or, if an Individual, Individual's Name)

Name:_____

Mailing Address: _____
City:_____; State:__; Zip Code: _____ Facility Location (if different from above):

_____
Telephone (Daytime): _____
Telephone (Evening): _____
Fax Number:_____
E-Mail Address: _____

Utility_____

_____
(Existing Account Number, if generator to be interconnected on the Customer side of a utility revenue meter)_____

Type of Interconnect Service Applied for (choose one):_____Network Resource, _____ Energy Only,_____Load Response (no export)_____Net metering

SECTION 2. GENERATOR QUALIFICATIONS

Data apply only to the Generating Facility, not the Interconnection Facilities.

Energy Source:

☐ Solar
☐ Wind
☐ Hydro
☐ Hydro type (e.g. Run-of-River)
☐ Diesel

☐ Natural Gas

☐ Fuel Oil

☐ Other (state type);_____

Prime Mover:

☐ Fuel Cell

☐ Recip Engine

☐ Gas Turbine

☐ Steam Turbine

☐ MicroTurbine

☐ PV

☐ Storage Batteries

☐ Other (state type);_____

Type of Generator:_____Synchronous_____Induction_____Inverter

Generator Nameplate Rating:_____kW (Typical); Generator Nameplate kVA:

_____

Number of Units:_____

Total Export Capacity: _____ kW __ kVA ___

Interconnection Customer or Customer-Site Load:_____kW (if none, so state)

Typical Reactive Load (if known): _____

List components of the Generating Facility Equipment Package that are currently certified:

	Equipment Type	Certifying Entity
1.		
2.		
3.		
4.		
5.		

Is the prime mover compatible with the certified protective relay package?

_____Yes_____No

Generator (or energy storage or solar collector)

Manufacturer, Model Name & Number:

Version Number:

Nameplate Output Power Rating in kW:

(Summer)_____; (Winter) _____

Nameplate Output Power Rating in kVA:

(Summer)_____; (Winter) _____

Individual Generator Power Factor

Rated Power Factor: Leading:_____Lagging: _____

Total Number of Generators to be interconnected pursuant to this Interconnection Application: ;
Elevation:_____;_____Single phase;_____Three phase

Inverter Manufacturer, Model Name & Number (if used):
_____

List of adjustable set points for the protective equipment or software:
_____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Application.

Generating Facility Characteristic Data (for inverter-based machines):

Max design fault contribution current: Instantaneous or RMS?
Harmonics Characteristics:
Start-up requirements:

Generating Facility Characteristic Data (for rotating machines):

RPM Frequency: _____
(*) Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd:_____P.U.
Direct Axis Transient Reactance, X' d:_____P.U.
Direct Axis Subtransient Reactance, X" d:_____P.U.
Negative Sequence Reactance, X2:_____P.U.
Zero Sequence Reactance, X0:_____P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____
I2t or K (Heating Time Constant): _____
Rotor Resistance, Rr: _____
Stator Resistance, Rs: _____
Stator Reactance, Xs: _____
Rotor Reactance, Xr: _____
Magnetizing Reactance, Xm: _____
Short Circuit Reactance, Xd": _____
Exciting Current: _____ Temperature
Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): ____ Reactive Power Required
In Vars (Full Load): _____
Total Rotating Inertia, H:_____Per Unit on kVA Base

Note: Please contact the Utility prior to submitting the Interconnection Application to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only:

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

SECTION 3. INTERCONNECTION FACILITIES INFORMATION

Will a transformer be used between the generator and the Point of Common Coupling?
___Yes___No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer): Is the
transformer:_____single phase_____three phase? Size:_____kVA
Transformer Impedance:___percent on_kVA Base
If Three Phase:
Transformer Primary:_____Volts_____Delta_____Wye_____Wye Grounded
Transformer Secondary:_____Volts_____Delta_____Wye_____Wye Grounded
Transformer Tertiary:_____Volts_____Delta_____Wye_____Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse): (Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)
Manufacturer:_____Type:_____

Size:_____Speed: _____

Interconnecting Circuit Breaker (if applicable):
Manufacturer:_____Type: _____
Load Rating (Amps): ___ (Cycles): _
Interrupting Rating (Amps):_____ Trip Speed: _____

Interconnection Protective Relays (If Applicable):
If Microprocessor-Controlled:
List of Functions and Adjustable Setpoints for the protective equipment or software: Setpoint

Function	Minimum	Maximum
1.		
2.		
3.		
4.		
5.		
6.		

If Discrete Components:
(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves) Manufacturer: Type:
Style/Catalog No.:Proposed Setting:

Manufacturer:	Type:	Style/Catalog No.:	Proposed Setting:
Manufacturer:	Type:	Style/Catalog No.:	Proposed Setting:
Manufacturer:	Type:	Style/Catalog No.:	Proposed Setting:
Manufacturer:	Type:	Style/Catalog No.:	Proposed Setting:

Current Transformer Data (If Applicable):
(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves) Manufacturer:
Type: Accuracy Class: Proposed Ratio Connection: _____
Manufacturer:
Type: Accuracy Class: Proposed Ratio Connection: _____

Potential Transformer Data (If Applicable):
Manufacturer:
Type: Accuracy Class: Proposed Ratio Connection: _____
Manufacturer:
Type: Accuracy Class: Proposed Ratio Connection: _____

Limited Export and Non-Export Controls Information

Manufacturer: _____

Model Number: _____

Limited Export or Non-Export? ☐ Limited Export ☐ Non-Export

Control Type:

_____ Reverse Power Protection

_____ Minimum Power Protection

_____ Relative Distributed Energy Resource Rating

_____ Configured Power Rating

_____ Power Control System

_____ Export Control using mutually agreed-upon means

_____ Directional Power Protection _____

Control Power Setting: _____

Control Power Time Delay (if any): _____

Power Control System Open-Loop Response Time: Maximum _____ Average _____

When grid-connected, will the PCS employ any of the following? [Select all that apply]

- ☐ Unrestricted mode
- ☐ Export only mode
- ☐ Import only mode
- ☐ No exchange mode
- ☐ Export-limiting from all sources
- ☐ Export limiting from ESS
- ☐ Import limiting to ESS

Battery Storage Facility Information (If Applicable)

Do the batteries share an inverter with a renewable energy system? ☐ Yes ☐ No

Does the applicant intend to have the batteries charged by the distribution grid? ☐ Yes ☐ No

System Manufacturer: _____

Model: _____

_____

Battery System Charge/Discharge Rating (kW AC): _____

Maximum Battery System Charge/Discharge Rate (kW AC per second): _____

Battery Energy Capacity (kWh): _____

Battery Operational Information

Backup – allows for partial or whole home transition to off-grid during a grid outage ☐ Yes ☐ No

Solar Self-Powered – the battery will charge from the renewable energy source during normal operation and discharge to serve loads behind your meter ☐ Yes ☐ No

Solar Non-Export – limits the export of energy to the grid to zero for both the battery and solar inverter, even if the battery system is fully charged and there is excess renewable source energy ☐ Yes ☐ No

Time-Based Control (sometimes called time-of-use or TOU mode) – the battery charges during off-peak hours and discharges to serve onsite loads during on-peak hours. ☐ Yes ☐ No

Describe any other intended operation of the battery: _____

Reference Point of Applicability (RPA) Designation

Where is the desired RPA location? [Check one]

- ☐ Point of DER connection (PoC)
- ☐ Point of interconnection / point of common coupling (PCC)
- ☐ Another point between PoC and PCC
- ☐ Different RPAs for different DER units

Is the RPA location the same as above for detection of abnormal voltage, faults and open-phase conditions?

- ☐ Yes
- ☐ No (detection location must be denoted in the one-line diagram)

Why does this DER fit the chosen RPA? [Check all that apply]

- ☐ Zero-sequence continuity between PCC and PoC is maintained
- ☐ The DER aggregate Nameplate Rating is less than 500 kVA
- ☐ Annual average load demand is greater than 10% of the aggregate DER Nameplate Rating, and it is not capable of, or is prevented from, exporting more than 500 kVA for longer than 30 seconds.

SECTION 4. GENERAL INFORMATION

Enclose copy of site electrical one-line diagram showing the configuration of all Generating Facility equipment, Reference Point of Applicability, current and potential circuits, and protection and control schemes.

This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed?

_____Yes_____No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address)

_____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed?

___Yes_____No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable). Are Schematic Drawings Enclosed?

___Yes_____No

Enclose a copy of specification sheets for all applicable interface and control equipment, e.g., inverters, energy storage system, gateway, plant controller, automatic transfer switch and power control system.

Are specification sheets enclosed?

___Yes_____No

SECTION 5. APPLICANT SIGNATURE

I hereby certify that, to the best of my knowledge, all the information provided in the Interconnection Application is true and correct. I also agree to install a Warning Label provided by (utility) on or near my service meter location. Generating systems must be compliant with IEEE, NEC, ANSI, and UL standards, where applicable. By signing below, the Applicant also certifies that the installed generating equipment meets the appropriate preceding requirement(s) and can supply documentation that confirms compliance.

Signature of Applicant: ___ Date: _____

SECTION 6. INFORMATION REQUIRED PRIOR TO PHYSICAL INTERCONNECTION

(Not required as part of the application, unless available at time of application.) Installing Electrician:_____Firm:_____
License No.: _____
Mailing Address: _____
City:_____State:_____Zip Code: _____
Telephone:_____
Installation Date: _____

Interconnection Date: _____

Signed (Inspector – if required): _____
Date: _____
(In lieu of signature of Inspector, a copy of the final inspection certificate may be attached)

Appendix C-1

SIMPLIFIED INTERCONNECTION AGREEMENT FOR QUALIFYING FACILITIES 25 Kw or less

Simplified Interconnection
The following are the Terms and Conditions for Generating Facilities with a rated capacity up to and including 25 kW.

_____(Customer) and _____ (Utility), referred to collectively as parties and individually as party, agree as follows:

1.0 Construction of the Facility

The Interconnection Customer may proceed to construct the Generating Facility when the Utility approves the Interconnection application (the "Application") and returns it to the customer.

2.0 Qualifying Facility 25kW or Less

Customer's electric service account number _____

Type of generating facility (solar, wind, etc.) _____

Rated generating capacity _____ (kW)

Customer and facility address _____

_____

_____

Facility will be ready for operation on or about _____ (date)

Operating option:

Customer has elected to operate its Qualifying Facility in parallel with Utility's system. Customer understands that if this Agreement is accepted, connection and operation of Customer's Qualifying Facility must meet at all times all applicable safety and performance standards, including those established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and all additional safety and performance standards of Utility or adopted by the commission pursuant to this rule that are necessary to protect public safety and system reliability.

Customer shall be subject to the terms and conditions set forth in 17 NMAC, Chapter 9, Part 575, a copy of which is attached to this agreement. Customer herby acknowledges that Customer has read 17, NMAC Chapter 9, Part 570.

3.0 Credit for Net Energy

Credit for net energy shall be in accordance with 17 NMAC, Chapter 9, Part 570.

4.0 Interconnection and Operation

The customer may operate Generating Facility and interconnect with the utility's electric system once all of the following have occurred:

4.1 Upon completing construction, the Customer will cause the Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

4.2 The Customer returns the Certificate of Completion to the Utility, and

4.3 The Utility has completed its inspection of the Generating Facility. All inspections must be conducted by the utility, 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 Utility shall provide a written statement that the Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place.

4.4 The utility has the right to disconnect the Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

Customer shall provide a clearly understandable sketch or one-line diagram showing the Qualifying Facility, the interconnection equipment, breaker panel(s), disconnect switches and metering, to be attached to this Agreement.

5.0 Maintenance and Permits

Customer shall maintain the Generating Facility and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, Utility's interconnection requirements as set out in Appendix A-1 to this Agreement.

Customer shall obtain any governmental authorizations and permits required for the construction and operation of the electric Generating Facility and interconnection facilities.

6.0 Indemnification

The Customer shall indemnify and hold harmless the Utility against all damages, expenses and other obligations to third parties attributable to the negligence, strict liability or intentional acts of the Customer. The Utility shall indemnify and hold harmless the Customer against all damages, expenses and other obligations to third parties attributable to the negligence, strict liability or intentional acts of the Utility. The terms "Utility" and "Customer", for purposes of this indemnification provision, include their officers, directors, trustees, managers, members, employees, representatives, affiliates, successors and assigns.

Nothing is this Agreement shall be construed to create any duty to, any standard of care with reference to or any liability to any person not a party to this Agreement. Neither Utility, its officers, agents, nor employee shall be liable for claims, demands, costs, losses, causes of action, or any other liability of any nature or kind, arising out of the engineering design, construction, ownership, maintenance or operation of, or making of replacements, additions or betterment to, Customer's facilities by Customer or any other person or entity.

Neither Utility, its officers, agents nor employees shall be liable for damages to the electrical generating equipment caused by an electrical disturbance on the Utility system or on the system of another, whether or not the electrical disturbance results from the negligence of Utility.

7.0 Insurance

All Generating Facilities with a rated capacity of 25 kW or less are strongly urged to obtain liability insurance to cover risks, liabilities, and consequences which may arise as a result of interconnection with the Utility System.

8.0 Limitation of Liability

Except in the event of acts of willful misconduct, each Party's liability to the other Party for failure to perform it obligations under this Agreement, shall be limited to the amount of direct damage actually incurred. Neither Party shall be liable to the other Party for any punitive, incidental, indirect, special, or consequential damages of any kind whatsoever, including for loss of business opportunity or profits, regardless of whether such damages were foreseen.

Notwithstanding any other provision in this Agreement, with respect to Utility's provision of electric service to any customer including the Interconnection Customer, the Utility's liability to such customer shall be limited as set forth in the Utility's tariffs and terms and conditions for electric service, and shall not be affected by the terms of this Agreement.

9.0 Governing Law

This agreement shall be interpreted, governed, and construed under the laws of the state of New Mexico as if executed and to be performed wholly within the state of New Mexico.

10.0 Amendment, Modifications or Waiver

Any amendments or modifications to this Agreement shall be in writing and agreed to by both parties. The failure of any party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any party of the breach of any term or covenant contained in this Agreement, whether by contract or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or a waiver of the breach of any other terms or covenant unless such waiver is in writing.

11.0 Termination

The agreement to interconnect may be terminated under the following conditions:

11.1 **By the Customer**: By providing written notice to the Utility.

11.2 **By the Utility**: If the Generating Facility 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 Utility shall have the right to disconnect its facilities or direct customer to disconnect its Generating Facility.

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 Notices

All written notices shall be directed as follows:

Attention: Chris Martinez
Columbus Electric Cooperative
P.O. Box 631
Deming, NM 88031

Attention: (Customer)
Name: _____
Address:
City: _____

Customer notices to Utility pursuant to Section 11 of this Agreement shall refer to the Customer's electric service account number set forth in Section 2 of this Agreement.

13.0 Term of Agreement

This Agreement shall be in effect when signed by the Customer and Utility and shall remain in effect thereafter month to month unless terminated by either party.

14.0 Assignment

This Agreement and all provisions hereof shall inure to and be binding upon the respective parties hereto, their personal representatives, heirs, successors, and assigns. Customer shall not assign this Agreement or any part hereof without the prior written consent of Utility, and such unauthorized assignment may result in the termination of this Agreement in accordance with Section 14.

15.0 Appendices

The Agreement includes the following attachments incorporated herein by reference:

- Utility's Interconnection Standards for Qualifying Facilities 25 kW or less.
- Customer's written request to Utility of Intent to interconnect Qualifying Facility.
- Customer's sketch or one line diagram and site drawing and generation and protection equipment specifications.
- Utility's written authorization to interconnect.

IN WITNESS WHEREOF, the parties have caused two originals of this agreement to be executed by their duly authorized representatives. This agreement is effective as of the last date set forth below.

CUSTOMER

By: _____

Name: _____

Title: _____

Date: _____

UTILITY

By: _____

Name: _____

Title: _____

Date: _____

Appendix C-2

Standard Interconnection Agreement

Generating Facilities With a Rated Capacity No Greater than 10 MW and Not Qualified for Simplified Interconnection

This Generating Facility Interconnection Agreement ("Agreement") is entered into by and between _____ ("Utility") and _____ ("Interconnection Customer"). The Interconnection Customer and the Utility are sometimes referred to in this Agreement jointly as "Parties" or individually as a "Party".

In consideration of the mutual promises and obligations stated in this Agreement and its appendices, the Parties agree as follows:

I. SCOPE AND PURPOSE

A. This Agreement is intended to provide for the Interconnection Customer to interconnect and operate the Generating Facility in parallel with the Utility's System. Appendix A provides a one-line diagram of the Generating Facility and the Point of Common Coupling. Appendix B provides a description of the Generating Facility and its location.

B. This Agreement contains the terms and conditions under which the Interconnection Customer may interconnect the Generating Facility to the Utility. This Agreement does not authorize the Interconnection Customer to export power or constitute an agreement to purchased or wheel the Interconnection Customer's power. Other services that the Interconnection Customer may require from the Utility, or others, may be covered under separate agreements.

C. This Agreement allows for the occasional and inadvertent export of energy to the Utility, though it does not constitute an agreement by the Utility to purchase or pay for any energy, inadvertently or intentionally exported.

D. This Agreement does not constitute a request for, nor the provision of any transmission delivery service or any local distribution delivery service.

E. The technical requirements for interconnection are provided in New Mexico Administrative Code 17.9.575 and are incorporated and made part of this Agreement by this reference.

II. DEFINITIONS

"Agreement" means this Generating Facility Interconnection Agreement and its appendices.

"Business Day" means Monday through Friday, excluding holidays observed by the Utility.

"Commission" means the New Mexico Public Regulation Commission.

"Generating Facility" means the Interconnection Customer's device for the production of electricity identified in the Interconnection Application, including all generators, electrical wires, equipment, and other facilities owned or provided by the Interconnection Customer for the purpose of producing electric power.

"Generator" means any device producing electrical energy, including rotating generators driven by wind, steam turbines, internal combustion engines, hydraulic turbines, solar panels, fuel cells, or any other electric producing device, including energy storage technologies.

"Interconnection Application" means the request by an Interconnection Customer to interconnect a new Generating Facility, or to increase the capacity or make a material modification to the operating characteristics of an existing Generating Facility that is interconnected with the Utility's System.

"Interconnection Customer" is the person or entity so defined in the first paragraph of this Agreement.

"Interconnection Facilities" means the Utility's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Common Coupling, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Utility's System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades.

"Nameplate rating" means the sum total of maximum rated power output of a DER's constituent generating units and/or ESS, as identified on the manufacturer's nameplate, regardless of whether it is limited by any approved means.

"Point of Common Coupling" means the point where the Interconnection Facilities connect with the Utility's System.

"System" means the facilities owned, controlled, or operated by the Utility that are used to provide electric service under a Utility's tariff.

"System Emergency" means a condition on the Utility's System that is likely to result in imminent significant disruption of service to customers or is imminently likely to endanger life or property.

"Upgrade" means the required additions and modifications to the Utility's System at or beyond the Point of Common Coupling. Upgrades do not include Interconnection Facilities.

"Utility" is the entity so defined in the first paragraph of this Agreement.

III. GENERATING FACILITY DESCRIPTION

A. A single-line diagram of the Generating Facility is attached to and made part of this Agreement as Appendix A. The single line diagram shows the general arrangement of how the Generating Facility is interconnected with the Utility's System and shows all major equipment, including visual isolation equipment, Point of Common Coupling, ownership of equipment and meter location(s).

B. A description of the Generating Facility is attached to and made a part of this Agreement as Appendix B. Appendix B is standard form that provides the engineering and operating information about the Generating Facility, including the Generating Facility's Nameplate Rating, Export Capacity and scheduled operational (on-line) date.

IV. RESPONSIBILITIES OF THE PARTIES

A. The Parties shall perform all obligations of this Agreement in accordance with all applicable laws and regulations.

B. The Interconnection Customer shall design, construct, operate and maintain the Generating Facility in accordance with the equipment manufacturers' recommended maintenance schedules, and applicable laws and regulations, including local building codes and other applicable ordinances.

C. Interconnection of the Generating Facility in no way effects the Utility's obligation to serve the Utility's customer at whose location the Generating Facility is sited pursuant to the tariffs applicable to the customer's class of service.

D. The Interconnection Customer is responsible for the actual costs to interconnect and test the Generating Facility with the Utility to the extent required by the Manual. Estimates of these costs are outlined in Appendix C. While estimates, for budgeting purposes, have been provided in Appendix C, the actual costs are still the responsibility of the Interconnection Customer, even if they exceed the estimated amount(s). All costs, for which the Interconnection Customer is responsible, must be reasonable under the circumstances of the design and construction.

E. The Interconnection Customer shall grant to the Utility, at no expense to the Utility, all easements and rights-of-way necessary for the Utility to install, operate, maintain, replace, and remove the Utility's Interconnection Facilities and Upgrades, including, but not limited to, adequate and continuous access rights to property owned or controlled by the Interconnection Customer. If any part of the Interconnection Facilities or Upgrades is to be installed on property owned by any

person who is not a party to this Agreement, the Interconnection Customer shall, at no expense to the Utility, obtain from the owner of the property all such necessary easements and rights-of-way for the Utility. The Utility has no obligation to commence procurement, installation or construction of the Utility's Interconnection Facilities or Upgrades until the Interconnection Customer has provided all documents the Utility deems necessary to enable the Utility to obtain and record such easements and rights-of-way.

F. Upgrades:

1) The Utility shall design, construct, operate and maintain the Upgrades outlined in Appendix C in a good and workmanlike manner, and in accordance with standard design and engineering practices, and applicable laws and regulations, including local building codes and other applicable ordinances.

2) Once installed, the Upgrades shall be owned and operated by the Utility and all costs associated with the operating and maintenance of the Upgrades, after the Generating Facility is operational, shall be the responsibility of the Utility, unless otherwise agreed.

3) The Interconnection Customer grants permission for the Utility to begin construction and to procure the necessary facilities and equipment to complete the installation of the Upgrades, as outlined in Appendix C. The Interconnection Customer may, for any reason, cancel or modify the Generating Facility project, so that any or all of the Upgrades are not required to be installed. If for any reason, the Generating Facility project is canceled or modified, so that any or all of the Upgrades are not required, the Interconnection Customer shall be responsible for all costs incurred by the Utility, including, but not limited to the additional costs to remove and/or complete the installation of the Upgrades. The Interconnection Customer shall provide written notice to the Utility of cancellation or modification. Upon receipt of a cancellation or modification notice, the Utility shall take reasonable steps to minimize additional costs to the Interconnection Customer, where reasonably possible.

G. Payments:

1) The Interconnection Customer shall provide for the payment of its obligations under this Agreement in one of the following ways:

i) The Interconnection Customer may pay the Utility the costs identified in Appendix C at the time the Parties execute this Agreement; or

ii) The Interconnection Customer may pay the Utility in accordance with Section IV.G(2) if, at the time the Parties execute this Agreement, the Interconnection Customer provides reasonably adequate assurance of its creditworthiness to the Utility. Reasonably adequate assurance may be satisfied by evidence of the Interconnection Customer's creditworthiness, or a letter of credit in an amount sufficient to cover the costs identified in Appendix C, or a guaranty from another entity accompanied by evidence of that entity's creditworthiness.

2) If the Interconnection Customer provides for assurance of creditworthiness in accordance with Section IV.G(1)(ii), the Utility will invoice the Interconnection Customer monthly for all amounts expended and all amounts for which the Utility has become obligated since the execution of this Agreement or the prior monthly invoice. The Interconnection Customer will pay each such invoice within 20 days.

V. TERM AND TERMINATION

A. This Agreement becomes effective when the Interconnection Customer and the Utility have both signed this Agreement. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:

1) The Parties agree in writing to terminate the Agreement;

2) The Interconnection Customer terminates this Agreement by written notice to the Utility prior to the completion of the final acceptance testing of the Generating Facility by the Utility;

3) The Utility terminates this Agreement after 30 days written notice to the Interconnection Customer if the Interconnection Customer has failed to comply with the payment or creditworthiness terms of Section IV.G and has not taken appropriate corrective action;

4) The Utility terminates this Agreement after three days written notice to the Interconnection Customer if the Interconnection Customer does not obtain and deliver the easements and rights-of-way described in Section IV.E to the Utility within 90 days of the Utility's request for such easements and rights-of-way;

5) Once the Generating Facility is operational, the Interconnection Customer terminates this Agreement after 30 days written notice to the Utility, unless otherwise agreed; or,

6) The Utility terminates this Agreement after 30 days written notice to the Interconnection Customer if the Interconnection Customer fails to:

i) take all corrective actions specified in the Utility's written notice that the Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such notice, provided that the terms and timeframes stated by the Utility conform to this Agreement; or

ii) to complete construction of the Generating Facility within 24 months of the date of this Agreement or as otherwise agreed.

B. Upon termination of this Agreement the Utility may disconnected the Generating Facility from the Utility's System. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing, at the time of the termination.

VI. OPERATIONAL ISSUES

A. Costs: Each Party will, at its own cost and expense, operate, maintain, repair and inspect, and shall be fully responsible for, the facilities which it now or hereafter may own, unless otherwise specified.

B. Right of Access: At all times, the Utility's personnel shall have access to the disconnect switch of the Generating Facility for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement, to meet its obligation to operate the Utility safely and to provide service to its customers. If necessary for the purposes of this Agreement, the Interconnection Customer shall allow the Utility access to the Utility's equipment and facilities located on the premises.

C. Cooperation and Coordination: Both the Utility and the Interconnection Customer shall communicate and coordinate their operations, so that the normal operation of the Utility does not unduly effect or interfere with the normal operation of the Generating Facility and the Generating Facility does not unduly effect or interfere with the normal operation of the Utility. Under abnormal operations of either the Generating Facility or the Utility system, the responsible Party shall provide timely communication to the other Party to allow mitigation of any potentially negative effects of the abnormal operation of their system.

D. Disconnection of Unit: The Utility may disconnect the Generating Facility as reasonably necessary for the following reasons: termination of this Agreement; non-compliance with this Agreement; System Emergency, and routine maintenance, repairs and modifications to the Utility's System. When reasonably possible the Utility shall provide prior notice to the Interconnection Customer explaining the reason for the disconnection. If prior notice is not reasonably possible the Utility shall after the fact, provide information to the Interconnection Customer as to why the disconnection was required. The Utility shall expend reasonable effort to reconnect the Generating Facility in a timely manner and to mitigate damages and losses to the Interconnection Customer.

E. Modifications to the Generating Facility: The Interconnection Customer shall notify the Utility in writing of any proposed modifications to the Generating Facility that could affect the

Utility's System, providing twenty (20) Business Days notice or as many days notice as is reasonably possible. The notice shall provide all information needed by the Utility as part of the review described in this paragraph. Modifications that could affect the Utility's System include any change affecting the Generating Facility's Rated Capacity or Export Capacity and any modification of Interconnection Facilities, which include without limitation: protective systems, generation control systems, transfer switches/breakers, voltage transformers and current transformers. When reasonably possible the Interconnection Customer agrees not to make any material modifications to the Generating Facility until the Utility has approved the modifications, in writing, which approval shall not be unreasonably withheld. The Utility shall not take longer than ten (10) Business Days to review and respond to the proposed modifications after the receipt of the information required to review the modifications, and if the Utility fails to respond within ten (10) Business Days, the modification(s) shall be considered to be approved by the Utility. When it is not reasonably possible for the Interconnection Customer to provide prior written notice of modifications, the Interconnection Customer shall provide written notice to the Utility as soon as reasonably possible after the modifications have been made.

VII. PERMITS AND APPROVALS:

The Interconnection Customer shall obtain all environmental and other permits lawfully required by governmental authorities prior to the construction of the Generating Facility. The Interconnection Customer shall also maintain these applicable permits and compliance with these permits during the term of this Agreement.

VIII. INDEMNIFICATION AND LIMITATION OFLIABILITY

A) The Interconnection Customer shall indemnify and hold harmless the Utility against all damages, expenses and other obligations to third parties attributable to the negligence, strict liability or intentional acts of the Interconnection Customer. The Utility shall indemnify and hold harmless the Interconnection Customer against all damages, expenses and other obligations to third parties attributable to the negligence, strict liability or intentional acts of the Utility. The terms "Utility" and "Interconnection Customer," for purposes of this indemnification provision, include their officers, directors, trustees, managers, members, employees, representatives, affiliates, successors and assigns.

B) Except in the event of acts of willful misconduct, each Party's liability to the other Party for failure to perform its obligations under this Agreement, shall be limited to the amount of direct damage actually incurred. Neither Party shall be liable to the other Party for any punitive, incidental, indirect, special, or consequential damages of any kind whatsoever, including for loss of business opportunity or profits, regardless of whether such damages were foreseen.

C) Notwithstanding any other provision in this Agreement, with respect to Utility's provision of electric service to any customer including the Interconnection Customer, the Utility's liability to such customer shall be limited as set forth in the Utility's tariffs and terms and conditions for electric service, and shall not be affected by the terms of this Agreement.

IX. DISPUTE RESOLUTION

A) Each party agrees to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.

B) In the event of a dispute, either party shall provide the other party with a written notice of dispute. Such notice shall describe in detail the nature of the dispute. The non-disputing party shall acknowledge the notice within three business days of its receipt and identify a

representative with the authority to make decisions for the non-disputing party with respect to the dispute.

C) If the dispute has not been resolved in eight business days for timeline related disputes or 20 business days for all other disputes after the receipt of the notice, the parties may, upon mutual agreement, seek resolution through the assistance of a dispute resolution service. The dispute resolution service will assist the parties in either resolving the dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or qualified technical expert(s)) to assist the parties in resolving their dispute. Each party will be responsible for one-half of any costs paid to neutral third-parties.

D) For any technical disputes, both parties shall have a qualified technical representative present in the attempts to resolve the dispute.

E) If the dispute remains unresolved after 30 business days, either party may petition the commission to handle the dispute as a formal complaint or may exercise whatever rights and remedies it may have in equity or law.

X. INSURANCE

[*This Section shall either state that "the Interconnection Customer is not required to maintain insurance unless so ordered by the Commission for good cause upon the petition of a Utility" or, for Generating Facilities with Rated Capacity greater than 250 kW, the Utility may include the following provisions:*

A) The Interconnection Customer shall maintain, during the term of the Agreement, general liability insurance from a qualified insurance agency with a B+ or better rating by "Best" and with a combined single limit of not more than one million dollars ($1,000,000). Such general liability insurance shall include coverage against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii)property damage arising out of the Interconnection Customer's ownership and/or operation of the Generating Facility under this Agreement.

B) The general liability insurance required by Section IX.A shall, by endorsement to the policy or policies, (a) include the Utility as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that the Utility shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for the payment of premium for such insurance; and (d) provide for thirty (30) calendar days written notice to the Utility prior to cancellation, termination, alteration, or material change of such insurance.

C) The Interconnection Customer shall furnish the insurance certificates and endorsements required by Sections IX.A and IX.B to the Utility prior to the initial operation of the Generating Facility. Thereafter, the Utility shall have the right to periodically inspect or obtain a copy of the original policy or policies of insurance.

E) The general liability insurance required by Section IX.A shall state that coverage provided is primary and is not excess to or contributing with any insurance or self-insurance maintained by the Utility.

F) The Interconnection Customer may elect to self-insure rather than complying with Sections IX.A through IX.D if:

1) The Interconnection Customer provides to the Utility, at least thirty (30) days prior to the date of initial operation, a plan

reasonably acceptable to the Utility to self-insure to a level of coverage equivalent to that required under Section IX.A; and,

2) The Interconnection Customer agrees to immediately obtain the coverage required under Section IX.A if the Interconnection Customer fails to comply with its self-insurance plan.

G) Failure of the Interconnection Customer or Utility to enforce the minimum levels of insurance does not relieve the Interconnection Customer from maintaining such levels of insurance or relieve the Interconnection Customer of any liability.

H) All insurance certificates, statements of self-insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following address:

[Utility]
Attention: Manager of Generation Insurance

_____]

XI. MISCELLANEOUS

A) Force Majeure: Force majeure shall mean any cause beyond the control of the Party affected, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, tornado, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, [labor dispute,] labor or material shortage, sabotage, restraint by court order or public authority, and action or non-action by or failure to obtain the necessary authorizations or approvals from any governmental agency or authority, which by exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence, it shall be unable to overcome. If either Party, because of force majeure, is

rendered wholly or partly unable to perform its obligations under this Agreement, except for the obligation to make payments of money, that Party shall be excused from whatever performance is affected by the force majeure to the extent so affected, provided that:

1) the nonperforming Party, within a reasonable time after the occurrence of the force majeure, gives the other Party written notice describing the particulars of the occurrence;

2) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure; and

3) the nonperforming Party uses its best efforts to remedy its inability to perform. [This subparagraph shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party involved in the disputes.]

B) Notices: Any written notice, demand, or request required or authorized in connection with this Agreement shall be deemed properly given if delivered in person, sent by first class mail with postage prepaid, or sent by electronic mail as specified below:

1) To the Utility:

_____

_____

_____

Email: _____

2) To the Interconnection Customer:

_____

_____

_____

Email: _____

_____

3) A Party may change its address for notices at any time by providing the other Party written notice of the change, in accordance with this Section.

4) The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, phone numbers and electronic mail addresses may be communicated or revised by one Party's notice to the other Party.

C) Assignment: The Interconnection Customer shall not assign its rights nor delegate its duties under this Agreement without the Utility's written consent. Any assignment or delegation the Interconnection Customer makes without the Utility's written consent shall not be valid. The Utility shall not unreasonably withhold its consent to the Generating Entities assignment of this Agreement.

D) Non-waiver: None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

E Governing Law and Inclusion of Utility's Tariffs and Rules:

1) This Agreement shall be interpreted, governed and construed under the laws of the State of New Mexico as if executed and to be performed wholly within the State of New Mexico without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.

2) The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and Commission rules applicable to the electric service provided by the Utility, which tariff schedules and Commission rules are hereby incorporated into this Agreement by this reference.

3) Notwithstanding any other provisions of this Agreement, the Utility shall have the right to unilaterally file with the Commission,

pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, tariff or rule or any agreement relating thereto.

F) Amendment and Modification: This Agreement can only be amended or modified by a writing signed by both Parties.

G) Entire Agreement: This Agreement, including its Appendices, constitutes the entire Agreement between the Parties with regard to the interconnection of the Generating Facility of the Parties at the Point(s) of Common Coupling expressly provided for in this Agreement and supersedes all prior agreements or understandings, whether verbal or written. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement. Each Party also represents that in entering into this Agreement, it has not relied on the promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement or in the incorporated attachments and appendices.

H) Confidential Information: Except as otherwise agreed or provided herein, each Party shall hold in confidence and shall not disclose confidential information, to any person (except employees, officers, representatives and agents, who agree to be bound by this section). Confidential information shall be clearly marked as such on each page or otherwise affirmatively identified. If a court, government agency or entity with the right, power, and authority to do so, requests or requires either Party, by subpoena, oral disposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose confidential information, that Party shall provide the other Party with prompt notice of such request(s) or requirements(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. In the absence of a protective order or waiver the Party shall disclose such confidential information which, in the opinion of its counsel, the party is legally compelled to disclose. Each Party will use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any confidential information so furnished.

I) Non-warranty: Neither by inspection, if any, or non-rejection, nor in any other way, does the Utility give any warranty, expressed or implied, as to the adequacy, safety, or other characteristics of any structures, equipment, wires, appliances or devices owned, installed or maintained by the Interconnection Customer or leased by the Interconnection Customer from third parties, including without limitation the Generating Facility and any structures, equipment, wires, appliances or devices appurtenant thereto.

J) No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

XII. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

Interconnection Customer

By: _____

Name: _____

Title: _____

Date: _____

Utility

By: _____

Name: _____

Title: _____

Date:

###