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| Subject: INTERCONNECTION OF DISTRIBUTED ENERGY RESOURCES | | Policy No: 56 |
| Original Issue: 05/20/2011 | Last Revised: 08/12/2022 | Last Reviewed: 12/08/2023 |

I. OBJECTIVE:

A. To establish a policy to govern the interconnection of distributed energy resources on the Empire Electric Association, Inc. (“EEA”) distribution system. Distributed energy resources are energy resources intended to operate in parallel with EEA’s system, including but not limited to, those resources defined in Colorado Revised Statutes Section 40-2-124 as may be amended. Such resources can be stand-alone or located behind a load. Back-up generators intended to operate isolated from EEA’s system are not considered distributed energy resources. For the purposes of this policy, “customer-generator” means an end-use electricity customer that generates electricity on the customer’s side of the meter using eligible energy resources as the term is defined in Colorado Revised Statutes Section 40-2-124 as may be amended.


II. POLICY

- A. Interconnections will be subject to the terms and conditions of EEA’s wholesale electric service contract with Tri-State Generation and Transmission Association, Inc. (“Tri-State”) and any applicable Tri-State policies.
- B. Interconnections will comply with the regulations codified by the Colorado Public Utilities Commission (“PUC”) in the Code of Colorado Regulations (“CCR”) to the extent that such regulations are applicable to cooperative electric associations. These regulations are published on the PUC website.
- C. All interconnections shall comply with applicable industry codes and standards as well as any requirements determined by EEA staff.
- D. All costs associated with interconnecting a distributed energy resource shall be the responsibility of the interconnecting party. Such costs may include but are not limited to processing fees, system impact study costs, equipment installation, infrastructure upgrades and modifications, and costs imposed on EEA by Tri-State.
- E. Net metering installations will comply with Colorado Revised Statutes Section 40-9.5-118 as may be amended. Per this statute, residential net metering will be allowed up to 10 kW AC and commercial and industrial net metering will be allowed up to 25 kW AC as long as production is no more than 120% of the site’s average annual energy usage. EEA may allow larger net metering installations on a case-by-case basis if the following conditions are met:
 - 1. The proposed installation is sized to produce no more than 120% of the site’s average annual energy usage.
 - 2. EEA staff reviews the proposed installation and determines it will not cause adverse effects.
- F. If EEA denies interconnection to a customer-generator that has requested interconnection of a system with a capacity of 25 kW or larger, EEA shall provide a written technical or economic explanation of such denial to the customer.
- G. EEA and each customer-generator shall indemnify, defend, and save the other party harmless from any and all damages, losses, or claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other party’s action or failure to act in relation to any interconnection, except in cases of gross negligence or intentional wrongdoing by the indemnified party.

- H. The interconnecting party shall be responsible for notifying EEA and initiating an amendment to the interconnection agreement before any interconnected resource is modified, replaced, or increased in capacity. Failure of the interconnecting party to do so may result in disconnection of the resource from EEA's system. Following such notification, EEA may, in its sole discretion: (1) prepare an amendment to the interconnection agreement; (2) require that the interconnecting party submit a new interconnection application and follow the requirements of this policy; or (3) require the interconnecting party to pay for improvements or modifications to EEA's system prior to amendment of the interconnection agreement.
- I. Non-net metered installations may be offered a negotiated rate.

III. RESPONSIBILITY

- A. The Board shall be responsible for any change or revision of this policy.
- B. The Manager is responsible for administration of this policy and for making recommendations for changes.

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|  | President's Signature | Date: 12/08/2023 |
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