

Facility Study agreement

ABSTRACT

agreement outlining the scope, timeline, and responsibility of cost for a proposed distributed resource system's facility changes to the distribution system.



*Beltrami Electric Cooperative
80 kW Northern Solar Community Solar Garden
Bemidji, Minnesota*

Facility Study agreement

THIS AGREEMENT is made and entered into this ____ day of _____ 20__ by and between _____, (interconnection member) and _____, a cooperative existing under the laws of the State of Minnesota, (area electric power system (EPS) operator). Interconnection member and area EPS operator each may be referred to as a “party,” or collectively as the “parties.”

RECITALS

WHEREAS, the interconnection member is proposing to develop a distributed energy resource (DER) or generating capacity addition to an existing DER consistent with the *Standard Interconnection Application* completed by the interconnection member on _____ (date); and

WHEREAS, the interconnection member desires to interconnect the DER with the area EPS operator’s electric system; and

WHEREAS, the area EPS operator has completed initial review, supplemental review, and/or a distribution system impact study and provided the results of said review to the interconnection member or determined none was required; and

WHEREAS, the interconnection member has requested the area EPS operator to perform a facility study(s) to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the above-noted review in accordance with good utility practice to physically and electrically connect the DER with the area EPS operator’s distribution system.

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

1. Capitalized Terms

When used in this agreement, with initial capitalization, the terms specified shall have the meanings indicated, or the meanings specified, in the Cooperative Minnesota Interconnection Process (C-MIP).

2. Facility Study Scope

The interconnection member elects and the area EPS operator shall cause a facility study consistent with the standard C-MIP to be performed. The scope of the facility study shall be subject to data provided in Section 17 of this agreement.

3. Required Facilities and Cost Estimate

The facility study shall specify and estimate the cost of the equipment, engineering, procurement, and construction work (including overhead) needed to implement the conclusions of the distribution system impact study(s). The facility study shall also

identify: 1) the electrical switching configuration of the equipment including without limitation transformer, switchgear, meters, and other station equipment; 2) the nature and estimated cost of the area EPS operator's interconnection facilities and upgrades necessary to accomplish the interconnection; and 3) an estimate of the time required to complete the construction and installation of such facilities.

4. Interconnection Facilities Grouping

The area electric power supply (EPS) operator may propose to group facilities required for more than one interconnection member in order to minimize facility costs through economies of scale. Any interconnection member may require the installation of facilities required for its own distributed energy resource (DER) if they are willing to pay the costs of those facilities.

5. Study Fee Deposit

A deposit of the equivalent of the good faith estimated cost of a facility study shall be required from the interconnection member when the signed agreement is provided to the area EPS operator.

6. Study Fee Basis

Any study fees shall be based on the area EPS operator's actual costs and include a summary of professional time. An invoice shall be sent to the interconnection member within 20 business days after the study is completed and delivered.

7. Payment of Study Costs

The interconnection member must pay any study costs that exceed the deposit without interest within 20 business days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the area EPS operator shall refund such excess within 20 business days of the invoice without interest.

8. Governing Law, Regulatory Authority, and Rules.

The validity, interpretation, and enforcement of this agreement and each of its provisions shall be governed by the laws of the State of Minnesota. This agreement is subject to all applicable laws and regulations. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.

9. Amendment.

The parties may amend this agreement by a written instrument duly executed by both parties.

10. No Third-Party Beneficiaries.

This agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest, and where permitted, their assigns.

11. Waiver.

11.1. The failure of a party to this agreement to insist on any occasion upon strict performance of any provision of this agreement will not be considered a waiver of any obligation, right or duty of, or imposed upon such party.

11.2. Any waiver at any time by either party of its rights with respect to this agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this agreement. Termination or default of this agreement for any reason by the interconnection member shall not constitute a waiver of the interconnection member's legal rights to obtain an interconnection from the area electric power system (EPS) operator. Any waiver of this agreement shall, if requested, be provided in writing.

12. Multiple Counterparts.

This agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

13. 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.

14. Severability.

If any provision or portion of this agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority: 1) such portion or provision shall be deemed separate and independent; 2) the parties shall negotiate in good faith to restore, insofar as practicable, the benefits to each party that were affected by such ruling; and 3) the remainder of this agreement shall remain in full force and effect.

15. Subcontractors.

15.1. Nothing in this agreement shall prevent a party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this agreement provided; however, that each party shall require its subcontractors to comply with all applicable terms and conditions of this agreement in providing such services and each party shall remain primarily liable to the other party for the performance of such subcontractor.

15.2. The creation of any subcontract relationship shall not relieve the hiring party of any of its obligations under this agreement. The hiring party shall be fully responsible to the other party for the acts or omissions of any subcontractor the

hiring party hires, as if no subcontract had been made, provided; however, that in no event shall the area EPS operator be liable for the actions or inactions of the interconnection member or their subcontractors with respect to obligations of the interconnection member under this agreement. Any applicable obligation imposed by this agreement, upon the hiring party, shall be equally binding upon and shall be construed as having application to any subcontractor of such party.

15.3. The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

16. Inclusion of EPS Operator Tariffs and Rules

The interconnection services provided under this agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules applicable to the electric service provided by the area electric power system (EPS) operator, which tariff schedules and rules are hereby incorporated into this agreement by this reference. Notwithstanding any other provisions of this agreement, the area EPS operator shall have the right to unilaterally change rates, charges, classification, service, tariff or rule, or any agreement relating thereto. The interconnection member shall have the right to protest any such change through the area EPS operator's dispute resolution process pursuant to the area EPS operator's rules and regulations.

17. Data to be Provided by Interconnection Member with *Facility Study Agreement*

17.1. The interconnection member shall be available to meet on site with the area EPS operator within 5 business days of signing the Facility Study agreement. The personnel furnished by the interconnection member for this site visit shall bring detailed information on the site layout. The area EPS operator may request the interconnection member to physically place stakes at the locations of major components.

17.2. The interconnection member shall furnish a final site plan detailing the location of major equipment at the time this agreement is returned. The point of common coupling and point of distributed resource connection shall be clearly marked. The site plan shall depict any nearby roads and be labeled with the road name. Accurate dimensions shall be included on the site plan. The proper emergency telephone number (911) address corresponding to the site shall be labeled on the site plan.

17.3. The interconnection member shall furnish a final one-line diagram detailing the electrical connections between major components. The one-line shall be returned with the signed Facility Study agreement.

17.4. Technical cut sheets on all equipment related to metering shall be provided by the interconnection member along with the signed *Facility Study Agreement*.

17.5. If available, copies of the conditional use permits(s) from all necessary authorities shall be returned by the interconnection member with the signed *Facility Study Agreement*.

- 17.6. The interconnection member shall secure any necessary easements from private landowners prior to signing the *Facility Study Agreement*. Documentation of any such agreements shall be provided to the area EPS operator.
- 17.7. In the event that the area EPS operator determines a site survey is necessary in order to complete a facility study, the interconnection member shall make good faith efforts to complete the survey in a timely manner.
- 17.8. The facility study assumes all land use permits required for the interconnection will be approved by the proper authorities. Permits are submitted after the interconnection agreement is signed and may impact project costs (i.e., overhead to underground requirements).
- 17.9. The interconnection member and area electric power system (EPS) operator shall provide a single point of contact for design and construction-related matters. The interconnection member’s single point of contact shall respond in a timely manner to the area EPS operator’s questions during the facility study.
- 17.10. In the event that an interconnection member does not provide the necessary information described in this agreement or if the interconnection member takes more than 5 business days to respond to a question during the facility study, the facility study timeframe shall pause until the question is resolved.

IN WITNESS THEREOF, the parties have caused this agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of area EPS operator] _____ _____ (Signature) _____ (Title)	[Insert name of interconnection member] _____ _____ (Signature) _____ (Title)
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Data to be provided by the area EPS operator with the Facility Study Agreement.

Estimate cost of facility study.	\$
Time duration to complete facility study.	Business days