

Value of Solar Policy

Availability

Available to any customer with behind the meter generation capacity over 30 kW and less than 1 MW which contracts to sell excess energy to the Board. FPB will make this service available to customer–generators on a case-by-case basis and contingent upon the successful completion of a system impact study. Qualification for service under this policy shall include evaluation of impact on FPB’s facilities and overall financial burden to the utility. Customers seeking interconnection to FPB’s system that do not qualify for this policy will be deferred to KyMEA for PURPA connection rules and regulations.

Any generation connected to FPB not intended to serve the native load of a FPB electric customer will be considered a PURPA request. Customer’s native load shall be considered the average demand in the preceding 12 months for existing customers. Generation facility must be co-located with customer load being served and past the point of delivery provided by the Board. For new services, or when demand data is otherwise not available, native load shall be determined based on an engineering analysis of the utility capacity made available at the service point. Customer native load will be re-evaluated annually.

FPB will make this service available to customer–generators on a first-come, first-served basis up to a cumulative capacity of five (5%) of the utility’s single hour peak load during the previous year.

RATES FOR PURCHASES FROM COGENERATION FACILITIES

FPB shall compensate excess energy exported to the grid at the Value of Solar (VOS) rate. Any additional load required by the customer shall purchase from FPB at regular retail rates as set forth in the tariff. Only the excess generation exported back to the grid is compensated at the VOS rate. The VOS rate shall be determined by the energy and demand savings versus purchasing wholesale from KyMEA.

Avoided cost pass through rates will be refreshed annually on July 1st each year based on changes to power supply costs.

VOS Generation Energy Credit	\$0.02889
VOS Generation Demand Credit	\$0.00571
VOS Transmission Demand Credit	\$0.00250
VOS Transmission Environmental Credit	\$0.000

Total VOS Credit = \$0.03710/kWh

TERM OF CONTRACT

The term shall be one (1) year, and shall be self-renewing from year-to-year thereafter, unless canceled by either party on 30 days written notice.

TERMS AND CONDITIONS

Customer may operate their generator in parallel with FPB's system only after the Customer has submitted FPB's written Application for Interconnection and received approval from FPB. Prior to approval from FPB the Customer must show compliance with all applicable tariff regulations and the following conditions:

I. Customer or their representative shall install, operate, and maintain, at Customer's sole cost and expense, any control, protective, or other equipment on Customer's system required by FPB's technical interconnection requirements based on IEEE 1547, NEC, accredited testing laboratories, and the manufacturer's suggested practices for safe, efficient and reliable operation of the generating facility in parallel with FPB's system. Customer bears full responsibility for the installation, maintenance and safe operation of the generating facility. Upon reasonable request from FPB, Customer shall demonstrate compliance.

II. Customer shall represent and warrant compliance of the generation equipment:

- a. Any applicable safety and power standards established by IEEE and accredited testing laboratories;
- b. NEC, as may be revised from time-to-time;
- c. FPB's rules and regulations and Terms and Conditions, as may be revised from time-to-time by FPB;
- d. All other local, state, and federal codes and laws, as may be in effect from time-to-time.

III. Any changes or additions to FPB's system required to accommodate the generator shall be Customer's financial responsibility and FPB shall be reimbursed for such changes or additions prior to construction.

IV. Customer shall operate generator in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of FPB's electric system. Customer shall so operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by FPB to any of its other customers or to any electric system interconnected with FPB's electric system.

V. Customer shall be responsible for protecting, at Customer's sole cost and expense, the generating facility from any condition or disturbance on FPB's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges, except that the FPB shall be responsible for repair of damage caused to the generator resulting solely from the willful misconduct on the part of the FPB.

VI. Following the initial testing and inspection of the generating facility and upon reasonable advance notice to Customer, FPB shall have access at reasonable times to the generating facility to perform reasonable on-site inspections to verify that the installation, maintenance and operation of generator comply with the requirements of this tariff

VII. For Level 1 and 2 generating facilities the Customer shall furnish and install on Customer's side of the point of interconnection a safety disconnect switch which shall be capable of fully disconnecting Customer's generator from FPB's electric service under the full rated conditions of Customer's generator. The external disconnect switch (EDS) shall be located adjacent to FPB's meters or the location of the EDS shall be noted by placing a sticker on the meter, and shall be of the visible break type in a metal enclosure which can be secured by a padlock. If the EDS is not located directly adjacent to the meter, Customer shall be responsible for ensuring the location of the EDS is properly and legibly identified for so long as the generator is operational. The disconnect switch shall be accessible to FPB personnel at all times. FPB may waive the requirement for an external disconnect switch for a generator at its sole discretion, and on a case by case basis.

VIII. FPB shall have the right and authority at FPB's sole discretion to isolate the generating facility or require the Customer to discontinue operation of the generator if FPB believes that:

- a. Continued interconnection and parallel operation of the generator with FPB's electric system creates or contributes (or may create or contribute) to a system emergency on either FPB's or Customer's electric system;
- b. The generator is not in compliance with the requirements of this rate schedule, and the non-compliance adversely affects the safety, reliability or power quality of FPB's electric system; or
- c. The generator interferes with the operation of FPB's electric system.

In non-emergency situations, FPB shall give Customer notice of noncompliance including a description of the specific noncompliance condition and allow Customer a reasonable time to cure the noncompliance prior to isolating the Generating Facilities. In emergency situations, where the FPB is unable to immediately isolate or cause Customer to isolate only the generator, FPB may isolate Customer's entire facility.

IX. Customer agrees that, without the prior written permission from FPB, no changes shall be made to the generating facility as initially approved. Increases in generator capacity will require a new interconnection study which will be evaluated on the same basis as any other new application. Repair and replacement of existing generating facility components with like components that meet UL

certification requirements for Level 1 facilities and not resulting in increases in generation capacity is allowed without approval.

X. Customer shall, indemnify, defend and hold harmless FPB and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorney's fees, for or on account of any injury or death of persons or damage to property resulting from, relating to, arising out of, or in connection with Customer or Customer's employees, agents, representatives or contractors in tampering with, repairing, maintaining or operating Customer's generator or any related equipment or any facilities owned by FPB.

The liability of FPB to Customer for injury to person or property shall be limited to application and interconnection fee.

XI. Customer shall maintain general liability insurance coverage (through a standard homeowner's, commercial or other policy) for generating facilities. Customer shall upon request provide FPB with proof of such insurance at the time that application is made for interconnection.

XII. By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, FPB does not make any representation or give any warranty, express or implied, warranty of merchantability or fitness for a particular purpose as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.

XIII. Customer's generating facility is transferable to other persons or service locations only after notification to the FPB has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved generating facility is being transferred to another person, customer, or location, the FPB will verify that the installation is in compliance with this tariff and provide written notification to the customer(s) within 20 business days. If the installation is no longer in compliance with this tariff, the FPB will notify Customer in writing and list what must be done to place the facility in compliance.