Level 1 Interconnection Agreement

Eastern Maine Electric Cooperative

This Agreement is made and entered into this _____ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, (''Interconnection Customer,'') and Eastern Maine Electric Cooperative, a Maine corporation organized and existing under the laws of the State of Maine ("T & D Utility"). Interconnection Customer and T & D Utility each may be referred to as a ''Party,'' or collectively as the ''Parties.''

Recitals:

Whereas, Interconnection Customer is proposing to develop a Generating Facility, or generating capacity addition to an existing Generating Facility, consistent with the Interconnection Request completed by Interconnection Customer on_____; and

Whereas, Interconnection Customer desires to interconnect the Generating Facility with T & D Utility's Electric Distribution System.

Now, Therefore, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

1.0 Scope and Limitations of Agreement

1.1 This Agreement shall be used for all approved Level 1 Interconnection Requests according to the procedures set forth in Chapter 324 of the Maine Public Utilities Commission.

1.2 This Agreement governs the terms under which the Generating Facility will interconnect to, and operate in parallel with, T & D Utility 's Electric Distribution System.

1.3 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power.

1.4 Nothing in this Agreement is intended to affect any other agreement between T & D Utility and the Interconnection Customer. However, in the event that the provisions of this agreement are in conflict with the provisions of the T & D Utility Tariffs or Terms and Conditions, the T & D Utility Tariffs or Terms and Conditions shall control.

2.0 Construction of the Facility

The Interconnection Customer may proceed to construct (including operational testing not to exceed two hours) the Generating Facility when the T & D Utility approves the Application and executes this Interconnection Agreement.

3.0 Interconnection and Operation

The Interconnection Customer may operate the Generating Facility and interconnect with the T & D Utility's electric system once all of the following have occurred:

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

3.2 The Interconnection Customer returns the Certificate of Completion (or other evidence of local code official approval) to the T & D Utility, and

3.3 The T & D Utility has either:

3.3.1 Received the completed Certificate of Completion (or other evidence of local code official approval) and witnessed the satisfactory commissioning of the Generating Facility, or

3.3.2 If the T & D Utility does not schedule an inspection of the Generating Facility within a reasonable timeframe from receipt of the completed Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or

3.3.3 The T & D Utility waives the right to inspect the Generating Facility.

3.4 The T & D Utility has the right to disconnect the Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

4.0 Safe Operations and Maintenance

The Interconnection Customer shall be responsible at all times to operate, maintain, and repair the Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

5.0 Access

The T & D Utility shall have access to the metering equipment of the Generating Facility at all times. The T & D Utility shall provide reasonable notice to the Interconnection Customer when possible prior to using its right of access.

6.0 Disconnection

The T & D Utility may temporarily disconnect the Generating Facility upon the following conditions:

6.1 For scheduled outages upon reasonable notice.

6.2 For unscheduled outages or emergency conditions.

6.3 If the Generating Facility does not operate in the manner consistent with these the terms of this Agreement.

6.4 The T & D Utility shall inform the Interconnection Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

7.0 Indemnification

The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, 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 indemnified Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

8. 0 Insurance

The Interconnection Customer is not required to provide general liability insurance coverage as part of this Agreement**.**

9.0 Limitation of Liability

Each Party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this

Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 7.0.

10.0 Effective Date, Term, and Termination

10.1 Effective Date

This Agreement shall become effective upon execution by the Parties.

10.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in effect perpetually, unless terminated earlier in accordance with the provisions of Section 10.3 of this Agreement.

10.3 Termination

The agreement to operate in parallel may be terminated under the following conditions:

10.3.1 By the Interconnection Customer

By providing written notice to the T & D Utility.

10.3.2 By the T & D Utility

If the Generating Facility fails to operate for any consecutive 12-month period or the Interconnection Customer fails to remedy a violation of this Agreement or its terms and conditions.

10.3.3 Permanent Disconnection

In the event this Agreement is terminated, the T & D Utility shall have the right to disconnect its facilities or direct the Interconnection Customer to disconnect its Generating Facility.

10.4 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.

11.0 Notices

Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

Eastern Maine Electric Cooperative
ATN: Engineering
PO Box 425
Calais, ME 04619
207-454-7555

Customer Name: _____

Address: _____

City: _____

Phone: _____

FAX: _____

12.0 Assignment/Transfer of Ownership of the Facility

This Agreement shall survive the transfer of ownership of the Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the T & D Utility.

13.0 Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For: Eastern Maine Electric Cooperative

By: _____ Date: _____

Printed: _____

Title: _____

For the Interconnection Customer

By: _____ Date: _____

Printed: _____

Title: _____