



March 17, 2004

Interested Minnesota Solar Electric Rebate Program Participants,

Interconnecting your solar electric system requires some advanced planning – you should begin the process as soon as your rebate application is approved by contacting your electric utility.

Your electric utility should provide you with the following:

1. Requirements for interconnection and an interconnection application, if necessary;
2. Uniform statewide contract (see example attachment);
3. Average retail rate;
If your solar system generates more electricity than you consume in any one billing period (generally monthly), you will be paid the average retail rate for the excess, which is generally slightly less than the retail rate. Public and cooperative utilities calculate and file this information with the Department of Commerce annually under Minnesota Rule Chapter 7835. Municipal utilities do not file the information with the Department but should have the average retail rate available upon request.
4. Utility Representative Information;
The contact information for the person you will work directly with to interconnect your solar system.
5. Timely Service;
No guidance is currently provided in state statute or rule for interconnection approval timelines. However, the Minnesota Department of Commerce report to the Public Utilities Commission "Phase II Report of Technical Standards Workgroup Regarding Distributed Generation Docket No. E999/CI-01-1023" recommends a thirty day timeframe.

Your electric utility may require some or all of the following:

1. Interconnection fee;
No guidance is currently provided in state statute or rule for fee amounts. The Minnesota Department of Commerce report to the Public Utilities Commission "Phase II Report of Technical Standards Workgroup Regarding Distributed Generation Docket No. E999/CI-01-

1023" recommends no interconnection fee for solar electric systems less than 40 kW.
Contact your electric utility to discuss their interconnection fee structure, if any.

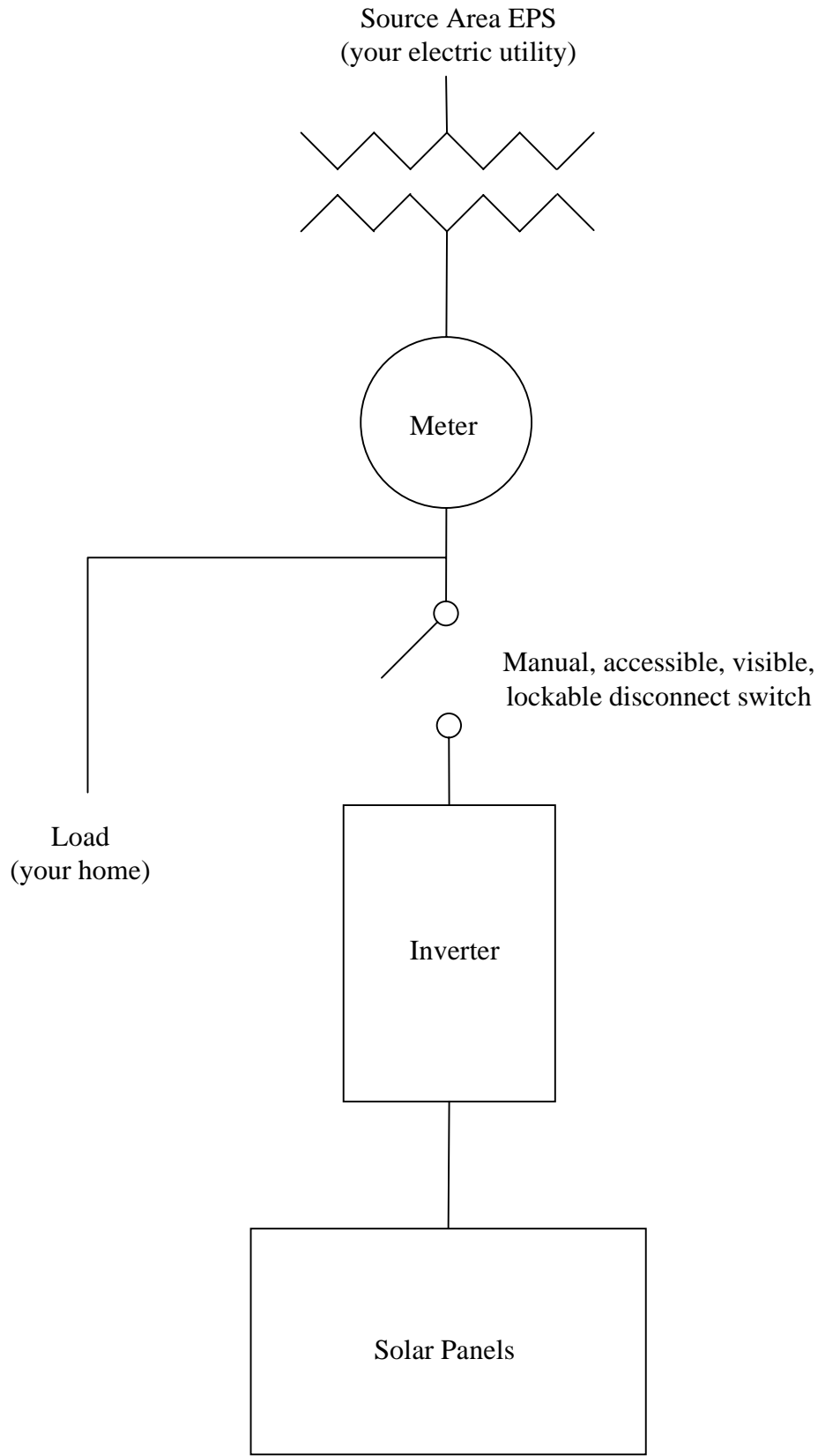
2. A second electric meter OR a single replacement bidirectional digital electric meter; and/or True net metering uses one meter that moves forward and backward, depending on generation/consumption levels and does not involve an metering fee. Contact your electric utility to discuss the metering options and additional metering fee structure, if any.
3. Line diagram of your solar system (see example attachment).

Ultimately, your electric utility needs to approve your solar system and the net metering contract. Each company may have slightly different procedures but should be able to provide you with the information and timelines for a successful solar electric project.

If you have any questions, feel free to contact our office.

Mike Taylor
Solar Rebate Program Manager

Example: One-Line Diagram



Minnesota Rules Chapter 7835
Uniform Statewide Contract Form for Net Metering (Generic)

All net metered solar electric systems in Minnesota use standard contract language as prescribed by state rules. Contact your local electric utility for a copy using their formatting/letterhead.

7835.9910 UNIFORM STATEWIDE CONTRACT; FORM.

The form for the uniform statewide contract for use between a utility and cogeneration and small power production facilities having less than 40 kilowatts of capacity is as follows:

UNIFORM STATEWIDE CONTRACT FOR COGENERATION AND SMALL
POWER PRODUCTION FACILITIES

THIS CONTRACT is entered into _____, _____,
by _____ (hereafter called
"Utility") and _____
_____ (hereafter called "QF").

RECITALS

The QF has installed electric generating facilities,
consisting of _____
_____ (Description of facilities),
rated at less than 40 kilowatts of electricity, on property
located at _____.

The QF is prepared to generate electricity in parallel with
the Utility.

The QF's electric generating facilities meet the
requirements of the Minnesota Public Utilities Commission
(hereafter called "Commission") rules on Cogeneration and Small
Power Production and any technical standards for interconnection
the Utility has established that are authorized by those rules.

The Utility is obligated under federal and Minnesota law to
interconnect with the QF and to purchase electricity offered for
sale by the QF.

A contract between the QF and the Utility is required by
the Commission's rules.

AGREEMENTS

The QF and the Utility agree:

1. The Utility will sell electricity to the QF under the
rate schedule in force for the class of customer to which the QF
belongs.
2. The Utility will buy electricity from the QF under the

current rate schedule filed with the Commission. The QF has elected the rate schedule category hereinafter indicated (select one):

a. Net energy billing rate under part [7835.3300](#).

b. Simultaneous purchase and sale billing rate under part [7835.3400](#).

c. Time-of-day purchase rates under part [7835.3500](#).

A copy of the presently filed rate schedule is attached to this contract.

3. The rates for sales and purchases of electricity may change over the time this contract is in force, due to actions of the Utility or of the Commission, and the QF and the Utility agree that sales and purchases will be made under the rates in effect each month during the time this contract is in force.

4. The Utility will compute the charges and payments for purchases and sales for each billing period. Any net credit to the QF will be made under one of the following options as chosen by the QF:

1. Credit to the QF's account with the Utility.

2. Paid by check to the QF within 15 days of the billing date.

5. The QF must operate its electric generating facilities within any rules, regulations, and policies adopted by the Utility not prohibited by the Commission's rules on Cogeneration and Small Power Production which provide reasonable technical connection and operating specifications for the QF. This agreement does not waive the QF's right to bring a dispute before the Commission as authorized by Minnesota Rules, parts [7835.4800](#), [7835.5800](#), and [7835.4500](#), and any other provision of the Commission's rules on Cogeneration and Small Power Production authorizing Commission resolution of a dispute.

6. The Utility's rules, regulations, and policies must conform to the Commission's rules on Cogeneration and Small Power Production.

7. The QF will operate its electric generating facilities so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.

8. The QF is responsible for the actual, reasonable costs of interconnection which are estimated to be \$_____.

The QF will pay the Utility in this way:

9. The QF will give the Utility reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Utility's side of the interconnection. If the Utility enters the QF's property, the Utility will remain responsible for its personnel.

10. The Utility may stop providing electricity to the QF during a system emergency. The Utility will not discriminate against the QF when it stops providing electricity or when it resumes providing electricity.

11. The Utility may stop purchasing electricity from the QF when necessary for the Utility to construct, install, maintain, repair, replace, remove, investigate, or inspect any equipment or facilities within its electric system. The Utility will notify the QF before it stops purchasing electricity in this way:

12. The QF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The amount of insurance coverage will be \$_____ (The utility may not require an amount greater than \$300,000).

13. This contract becomes effective as soon as it is signed by the QF and the Utility. This contract will remain in force until either the QF or the Utility gives written notice to the other that the contract is canceled. This contract will be canceled 30 days after notice is given.

14. This contract contains all the agreements made between the QF and the Utility except that this contract shall at all times be subject to all rules and orders issued by the Public Utilities Commission or other government agency having jurisdiction over the subject matter of this contract. The QF and the Utility are not responsible for any agreements other than those stated in this contract.

THE QF AND THE UTILITY HAVE READ THIS CONTRACT AND AGREE TO BE BOUND BY ITS TERMS. AS EVIDENCE OF THEIR AGREEMENT, THEY HAVE EACH SIGNED THIS CONTRACT BELOW ON THE DATE WRITTEN AT THE BEGINNING OF THIS CONTRACT.

QF

By: _____

UTILITY

By: _____

(Title)