



**Town of Ponoka**  
**Distributed Generation Interconnection Agreement**

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**DISTRIBUTED GENERATION INTERCONNECTION AGREEMENT**

Effective \_\_\_\_\_, 20\_\_\_\_

**BETWEEN:**

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

(hereinafter referred to as the "Generator")

OF THE FIRST PART

and

Town of Ponoka  
having its office at #200, 5604-50 Street, Ponoka Alberta T4J 1G5  
(hereinafter referred to as the "TOP")

OF THE SECOND PART

**WHEREAS** pursuant to an Interconnection Application the Generator desires to interconnect to TOP Facilities;

**AND WHEREAS** the terms and conditions upon which TOP provides Consumer Services to Customers are set forth in the Terms and Conditions forming part of TOP's Distribution Tariff (the words "Consumer Services" and "Customers" being defined in the Distribution Tariff);

**AND WHEREAS** the Distribution Tariff does not presently address the technical and operating requirements necessary to permit the safe and reliable interconnection of the Generator's Facility as contemplated in the Interconnection Application;

**AND WHEREAS** TOP is willing to consent to this interconnection under the following terms and conditions.



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**NOW THEREFORE** this Agreement witnesses that:

**1. Definitions**

- a.** In this Agreement, the expressions below will respectively have the meanings ascribed to them in TOP's Distribution Tariff's Terms and Conditions:
- (i) "Board";
  - (ii) "EUA";
  - (iii) "Facilities";
  - (iv) "Force Majeure";
  - (v) "Independent System Operator" or "ISO";
  - (vi) "Interconnected Electric System" or "IES";
  - (vii) "Islanded Operation";
  - (viii) "Point of Common Coupling" or "PCC";
  - (ix) "Power Pool".
- b.** In this Agreement, the expressions below will respectively have the following meanings:
- (i) "AECUC" means the Alberta Electrical and Communication Utility Code;
  - (ii) "Affiliate" has the meaning ascribed to it in the Business Corporations Act (Alberta);
  - (iii) "Generator's Facility" means all facilities including all transformers, switches, and connection and protective equipment required to produce and deliver power to the Point of Common Coupling from the Generator's generation source;
  - (iv) "Generator Location" means \_\_\_\_\_, Alberta;
  - (v) "Interconnection Application" means the application for interconnection submitted to TOP by the Generator prior to the execution of this Agreement, in a form prescribed by TOP. Upon execution of this Agreement by the parties, the Interconnection Application will be deemed to be incorporated into and form part of this Agreement;
  - (vi) "Operating Procedure" means the written procedures attached to this Agreement as Schedule A;
  - (vii) "Parties" means the Generator and TOP collectively; and "Party" means either one of them;



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- (viii) "Proprietary Information and Material" means information and material which is proprietary to a Party and/or any of its Affiliates;
- (ix) "Prudent Electric Utility Industry Practices" means the practices, methods and/or standards that are applicable and should be adopted at the relevant time by a person exercising that degree of knowledge, skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator engaged in operating electric distribution systems under the same or similar circumstances. Prudent Electric Utility Practices is not restricted to the optimum practice, method or act, to the exclusion of all others, but rather comprises the spectrum of acceptable practices, methods or acts applicable to the circumstances;
- (x) "Tariff" - means TOP's Distribution Tariff; and
- (xi) "Transmission System" has the meaning ascribed to it in the EUA.

**2. TOP's Distribution Tariff**

This Interconnection Agreement is subject to TOP's Distribution Tariff, including the Terms and Conditions under that Distribution Tariff, and the Terms and Conditions under TOP's Distribution Tariff are deemed to form part of this Interconnection Agreement.

**3. Schedules**

The following Schedules are attached to and form part of this Interconnection Agreement:

Schedule A: Operating Procedure

Schedule B: Interconnection Application

If there is an inconsistency between any schedule and the body of this Agreement, the former shall prevail.

**4. Conditions**

The Generator agrees that the following events must occur before the Generator will be permitted to activate its interconnection with TOP's Facilities:

- a. the Generator has signed this Interconnection Agreement with TOP; and
- b. the Generator's Facility is commissioned, and the interconnection between the Generator's Facility and TOP's Facilities is fully tested, to the reasonable satisfaction of TOP. TOP acknowledges that the testing procedure may require temporary interconnection of the Generator's Facility to TOP's Facilities, provided that such interconnection is carried out in conformity with all of the safety and other requirements of this Agreement and under TOP's direction or supervision.



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**5. Safety and Disconnection**

- a.** Without limiting any provision contained in the Tariff, the Generator will operate and maintain the Generator's Facility in compliance with:
  - (i) the EUA;
  - (ii) the Tariff;
  - (iii) the Canadian Electrical Code;
  - (iv) the Operating Procedure;
  - (v) Prudent Electric Utility Industry Practices; and
  - (vi) any other applicable legislation, codes or standards of a public authority having jurisdiction.
- b.** The Generator recognizes that the requirements imposed by **a.** above may change from time to time, and it will comply with any changed requirements as soon as the changed requirements come into force.
- c.** The Generator will design and construct the Generator's Facility so as to be capable of meeting the requirements of, and being operated and maintained in compliance with the Operating Procedure and with Prudent Electric Utility Industry Practices. The Generator will operate and maintain the Generator's Facility in strict compliance with the Operating Procedure and with Prudent Electric Utility Industry Practices.
- d.** The Generator will install a disconnect device that complies with the Alberta Department of Energy's Distributed Generation Interconnection Guide and the Canadian Electrical Code as a means of isolating the Generator's Facility from TOP's Facilities.
- e.** The Generator will operate and maintain the Generator's Facility in a manner that does not endanger or materially and adversely interfere with the general public, TOP's Facilities, the Interconnected Electric System, or TOP's employees, agents or customers.
- f.** Notwithstanding any other provision of this Agreement, and without limiting any provision contained in the Tariff, TOP will have the right to disconnect the Generator's Facility from TOP's Facilities without notice, if in TOP's reasonable opinion, the Generator's Facility is in material breach of this Article 5. TOP may also disconnect the Generator's Facility to maintain, test or repair equipment safely, and will give reasonable prior notice of same to the Generator.



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- g.** The Generator is responsible for the design, supply, construction, operation and maintenance of all equipment on the Generator's side of the Point of Common Coupling necessary to provide protection to the Generator's Facility. The Generator acknowledges that the Generator's Facility must be designed and operated so that Islanded Operation of the Generator's Facility cannot occur under any circumstances while the Generator's Facility is connected to TOP's system, or a portion of TOP's system. The Generator further acknowledges that TOP's consent to the Interconnection Application does not in any manner constitute a representation that the design proposal contained in the Interconnection Application is sufficient to satisfy the obligations of the Generator pursuant to this Article 5.
- h.** Joint safe work planning procedures will be followed where both parties are involved in work. Safe work routines described in Division D of the AECUC will be followed in providing isolation for work on any part of the Interconnected Electric System.

**6. Tariff**

- a.** The Generator will make all payments as required pursuant to the Tariff.
- b.** The Generator acknowledges that the services to be provided by TOP pursuant to this Agreement shall also be deemed to be "Consumer Services" and "Distributed Generation Services" within the meaning of the Tariff. In the event of a conflict or an inconsistency between this Agreement and the Tariff, the Tariff will prevail to the extent of that inconsistency.

**7. Inspection**

TOP has the right, but not the duty, to inspect the Generator's Facility. This right of inspection will not relieve the Generator of responsibility for the safe design, construction, maintenance and operation of the Generator's Facility and all liability in connection therewith remains with the Generator. The Generator will provide reasonable access upon reasonable prior written notice to enable TOP to conduct such inspection.

**8. Government Approvals**

The Parties will use reasonable commercial efforts to obtain and maintain all applicable government orders, permits, approvals, and consents required by law to perform their obligations under this Agreement.

**9. Insurance**

- a.** This section only applies to Large Micro-generation which produces 150kW to 1MW, (see Micro-Generation Terms of Reference for more information).



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- b.** The Generator will purchase a general operating insurance program for the operation of the Generator's Facility that a prudent operator of a similar generator would maintain. The cost of obtaining and maintaining such operating insurance will be borne by the Generator.
- c.** In respect of the insurance policies carried by the Generator under subsection **9. a.** hereof, the following provisions will apply:
  - (i) the policies will contain a waiver of subrogation in favour of TOP;
  - (ii) the policies will provide for a minimum of \$5,000,000 (or some such amount that is acceptable to TOP in its sole discretion), for each occurrence and in the aggregate, and will include a cross liability clause along with coverage for bodily injury and property damage; and
  - (iii) TOP will be included as an additional insured.

**10. Dispute Resolution**

Any dispute arising between the Parties shall be determined by arbitration in accordance with the Dispute Resolution provisions contained in the Tariff.

**11. Continuity of Service**

All performance required under this Agreement by TOP and the Generator and payment therefore during the dispute resolution proceedings contemplated by Section 10 hereof, will be governed by the continuity of services provisions contained in the Tariff.

**12. Confidentiality**

Each of TOP and the Generator:

- a.** acknowledges that it will have access to Proprietary Information and Material with respect to this Agreement; and
- b.** agrees that:
  - (i) it, its Affiliates, employees, agents, subcontractors, consultants and advisors will hold that Proprietary Information and Material in confidence, will access Proprietary Information and Material only on a need to know basis, and will not disclose any of that Proprietary Information and Material, or otherwise make any of that Proprietary Information and Material available to any third party without the prior written consent of the owner of such Proprietary Information and Material;
  - (ii) the Proprietary Information and Material:
    - (A) will be used only for the purposes of the performance of TOP's or the Generator's obligations under this Agreement;



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- (B) will not be reproduced or copied, in whole or in part, except as necessary for the performance of services under this Agreement and only to the extent permitted by the owners of that Proprietary Information and Material (in the applicable contracts or expressly in writing); and
  - (C) will, together with any copies, reproductions or other records thereof, in any form, and all information and materials developed by TOP or the Generator therefrom, be returned to the Party that provided that Proprietary Information and Material, as the case may be, when no longer needed for the performance of TOP's or the Generator's obligations under this Agreement; and
  - (D) nothing herein contained will obligate either Party to disclose any Proprietary Information and Material to the other.
- c. Notwithstanding the foregoing, this Section 12 hereof will not apply to any
  - (i) Proprietary Information and Material if:
  - (ii) it was in the public domain at the time of disclosure to TOP or the Generator, as the case may be, of that Proprietary Information and Material, or thereafter becomes part of the public domain through no fault of that Party;
  - (iii) it is later received from a third party having the legal right to disclose it;
  - (iv) it is required by applicable law, or by a governmental authority, to be disclosed, if the Party that provided the Proprietary Information and Material is given advance written notice of the recipient's intention to disclose that information based on that requirement and a reasonable amount of time (consistent with the requirement pursuant to which disclosure is to occur) in which to seek adequate protective orders;
  - (v) it becomes available to a Party on a non-confidential basis provided that the source of the Proprietary Information and Material is not and was not bound by a confidentiality agreement with the other Party to hold that Proprietary Information and Material confidential; or
  - (vi) the applicable Party consents to that disclosure.
- d. The Parties acknowledge the competitive value of the Proprietary Information and Material. Accordingly, each Party agrees that injunctive relief, specific performance, monetary damages and punitive damages may be appropriate remedies in the event of the unauthorized disclosure of Proprietary Information and Material.



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**13. General**

- a. The Generator represents and warrants that it is the owner of the Generator's Facility.
- b. Any notice or other communication required or permitted to be given hereunder or for the purposes hereof to either Party will be in writing and will be sufficiently given if delivered personally to such Party, or if sent by pre-paid registered mail or if transmitted by facsimile transmission to such Party.

In the case of a notice to the Generator:

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

In the case of a notice to TOP:

#200, 5604-50 Street,

Ponoka Alberta T4J 1G5

Attention: Manager of Operations

Email: operations@ponoka.ca

or at such other address or facsimile number as the Party to whom such notice is to be given will have last notified (in the manner provided herein) the Party giving such notice. Any notice delivered to the Party to whom it is addressed as provided herein will be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a business day, then the notice will be deemed to have been given and received on the business day next following such day. Any notice mailed to a Party will be deemed to have been given and received on the fifth (5th) business day next following the date of its mailing provided that no postal strike is then in effect or comes into effect within four (4) business days after such mailing. Any notice transmitted by facsimile will be deemed given and received on the day of its transmission if such day is a business day and if not, then on the next day that is a business day.

- c. This Agreement supersedes all agreements, oral or written, relating to the subject matter hereof, heretofore made by the Parties with respect to the subject matter hereof.
- d. This Agreement will be construed according to the laws of the Province of Alberta and the Parties hereby irrevocably attorn to the jurisdiction of the courts of Alberta.





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- e. This Agreement will enure to the benefit of and be binding upon the Parties hereto, their successors and permitted assigns. The rights and remedies of the Generator and TOP under this Agreement are cumulative and in addition to any other rights and remedies that the Generator and TOP may have at law or in equity. Any dispute between the Parties, however, shall be resolved in accordance with the dispute resolution procedure set out in the Terms and Conditions forming part of the Tariff.
- f. The liabilities of the Generator and TOP for breach of any covenants, representations or warranties, and any obligations of the Generator and TOP under any indemnity contained in this Agreement will survive termination of this-Agreement except as otherwise expressly provided.
- g. No waiver by a Party of any breach of a provision of this Agreement will be binding upon such Party unless it is expressed in writing and duly executed by such Party, and such a waiver will not operate as a waiver of any future breach of a provision of this Agreement, whether of a like or different character.
- h. This Agreement may only be amended by a written agreement executed by both Parties.
- i. If any provision of this Agreement should be found to be invalid, illegal or unenforceable in any respect or in any circumstance, the legality or enforceability of such provision in any other respect or circumstance will not in any way be affected or impaired thereby and the validity, legality or enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby.
- j. Neither TOP nor the Generator will assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning party, which consent will not be unreasonably withheld. Any assignment in violation of this Section will be void. Notwithstanding the foregoing, TOP may assign any or all of its rights and obligations under this Agreement, without the Generator's consent, to any entity succeeding to all or substantially all of the assets of TOP, if the assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.
- k. Time is of the essence of this Agreement.



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***IN WITNESS WHEREOF*** the Parties hereto have executed this Agreement under the hands of their proper officers as of the day and year first above written.

**Legal Name of Generator**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Town of Ponoka**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



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**SCHEDULE "A"**

**OPERATING PROCEDURE**

**Between**

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**(the "Generator")**

**And**

**Town of Ponoka**  
**("TOP")**



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**OPERATING PROCEDURE**

This Operating Procedure provides for the safe and orderly operation of the electrical facilities interconnecting the Generator's Facility at the Generator Location and TOP's Facilities.

This Operating Procedure does not supersede any requirements outlined in Government Regulations such as (but not limited to) the Alberta Electric and Communication Utility Code, the Canadian Electrical Code, the Power Pool of Alberta's Pool Operating Bulletins, the Independent System Operator's Operating Policies and Occupational Health and Safety Act, nor does it supersede any terms of the Interconnection Agreement between the Generator and TOP.

Attachments to this Procedure include:

- A. TOP's Single Line Diagram titled;
- B. Generator's Single Line Diagram titled.

**1.0. Operating Authority:**

The Operating Authority is the person identified by name or job title responsible to establish operating procedures and standards within their organization. The Operating Authority will ensure that timely updates are made to this document to reflect any changes to disconnect devices and any single line diagrams referenced in this document. The Operating Authorities for the Generator and TOP will ensure that the operators of the Generator's Facility and TOP's Facilities are competent in the operation of the electrical systems and are aware of the provisions of any operating agreements and regulations relating to the safe operation of electrical power systems.

The Operating Authority for \_\_\_\_\_ (Generator)

is \_\_\_\_\_ (Name and title)

\_\_\_\_\_  
(Address and Postal Code)

Phone: (403) \_\_\_\_\_ Fax: (403) \_\_\_\_\_

Email: \_\_\_\_\_

The Operating Authority for TOP is:

Manager of Operations

Phone: (403) 783-0159 Fax: (403) 783-0151

E-Mail: [operations@ponoka.ca](mailto:operations@ponoka.ca)



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**2.0. Operator-in-Charge:**

The Operator-in-Charge is the person identified by job title responsible for the real time operation of all electrical facilities related to the interconnection and owned by their organization.

The Operator-in-Charge for \_\_\_\_\_ (Generator)  
is \_\_\_\_\_ (Name and title)

\_\_\_\_\_  
(Address and Postal Code)

Phone: (403) \_\_\_\_\_ Fax: (403) \_\_\_\_\_

Email: \_\_\_\_\_

The Operator-in-Charge for TOP is:

Manager of Operations

Phone: (403) 783-0159 Fax: (403) 783-0151

Email: [operations@ponoka.ca](mailto:operations@ponoka.ca)

**3.0. Description of Operation for Large Micro-Generation (150kW to 1MW):**

**a. The Generator's Facility consists of:**

(i) Generators:

\_\_\_\_\_

(ii) Main disconnect device to the Distribution Facility:

\_\_\_\_\_

(TOP # \_\_\_\_\_)

(iii) Over-frequency relay: \_\_\_\_\_ secs @ \_\_\_\_\_ Hz;  
instantaneous @ \_\_\_\_\_ Hz

(iv) Under-frequency relay: \_\_\_\_\_ secs @ \_\_\_\_\_ Hz;  
instantaneous @ \_\_\_\_\_ Hz

(v) Over-voltage relay: >= \_\_\_\_\_ cycles @ \_\_\_\_\_ %;  
instantaneous @ >= \_\_\_\_\_ oh



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- (vi) Under-voltage relay:  $\geq$  \_\_\_\_\_ cycles @ \_\_\_\_\_ %;  
instantaneous @  $\geq$  \_\_\_\_\_ oh
- (vii) Reverse power relay: \_\_\_\_\_ instantaneous @  $\Rightarrow$  \_\_\_\_\_ amps

**b. TOP's Facilities consist of:**

Distribution line: (Circuit #) \_\_\_\_\_

Source substation and breaker number: \_\_\_\_\_

Switching devices: (# Fuse Disconnect) \_\_\_\_\_

**c. Brief Description of Operation:**

This section is for the customer to complete. It should detail what the generator is being used for (Peak shaving, exporting, backup parallel operation etc.). It should also detail how the generator will be synchronized to the electrical system and how it is disconnected under normal operations and fault conditions.

**d. Switching Procedure to isolate Generator's Facility from TOP's Facilities:**

- (i) Open, check open, lock & tag, with a TOP tag, the \_\_\_\_\_  
\_\_\_\_\_ @ Generator Location.
- (ii) Open, check open & tag fused disconnect.

**e. Switching Procedure to connect Generator's Facility to TOP's Facilities:**

- (i) Remove tag and close fuse disconnect \_\_\_\_\_
- (ii) Remove tag & unlock the \_\_\_\_\_
- (iii) Inform the Generator's Operator-in-Charge that service has been restored.
- (iv) The Generator can close the \_\_\_\_\_

**f. Synchronization:**

The facility is designed to operate interconnected to the grid, with synchronizing facilities provided on Generator-owned equipment. In the absence of outstanding clearances between the Operators-in-Charge, notice is not required to be given to TOP prior to synchronization taking place. It is recognized by the Generator that there are no synchronization schemes in place on TOP's Facilities, and that upstream TOP's Facilities contain automatic equipment that will provide for voltage regulation and automatic reclosure under some conditions.



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**g. Anti-islanding Protection Scheme:**

In the event that TOP's supply to the Generator's Facility becomes de-energized, the Generation Facility will immediately disconnect from TOP's Facilities, so that it is fully isolated before automatic-reclosing devices on TOP's Facilities operate. The Generator acknowledges that it is responsible for damages incurred during an islanding event, if the Generator's facility fails to separate from TOP's Facilities.

**4.0. Description of Operation for Small Micro-Generation (<150kW):**

All parts and facilities must have the manufactures standardized (CSA approved) description. No part may be altered beyond the recommendation of the manufacturer. Please submit a Single Line Diagram of the installed facility (example provided at end of document).

**5.0. Power Quality Standards:**

The Generator must demonstrate its compliance with the following power quality requirements:

**a. Voltage & Voltage Regulation:**

The Generator's Facility will not adversely affect the voltage and voltage regulation on any part of TOP's Facilities. The generated voltage will follow, and not attempt to oppose or regulate, changes in the prevailing voltage level of TOP's Facilities, unless otherwise agreed to.

**b. Voltage Fluctuations:**

The Generator must not cause an unacceptable level of voltage fluctuation during starting, operation, or shutdown of its generating facility. TOP's standard for voltage flicker limits are shown in TOP's Power Quality Specifications and Guidelines for Customers.

**c. Harmonics:**

The Generator must not cause an unacceptable level of harmonics during operation of its generating facility. Limits on acceptable voltage and current distortion, are detailed in TOP's Power Quality Specifications and Guidelines for Customers.



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**6.0. Access:**

TOP requires 24 hour, 7 day a week access to the Generator's Location for maintenance, operating and meter reading. A lock box will be installed at the customers location the will contain a key to its electrical room. The lock box will be mounted in a location that is accessible to TOP's crew. Access or inspections will be arranged between TOP's Operator-in-Charge and the Generator's Operator-In-Charge.

**7.0. Notice of Changes to Protection & Control:**

The Generator's Operating Authority will notify TOP's Operating Authority in writing of any intention to alter the settings on any protection and control devices which could affect TOP's Facilities and the final settings will be established by mutual agreement between TOP and the Generator.

**Legal Name of Generator**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Town of Ponoka**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_