

**PUBLIC SERVICE
COMPANY OF
OKLAHOMA**

An **AEP** Company

BOUNDLESS ENERGY®

Distributed Generation Customer Information Packet

CONNECTING WITH US

We want to protect your home and the power grid that serves our communities. That's why we comply with all applicable laws and regulations for connecting your energy resource to our system.

If you own or lease a distributed resource that supplies energy to a building that is connected to our system, your equipment is interconnected. Interconnectivity allows your home to be powered by our system when there isn't enough sunlight or wind to meet your needs. In addition to back-up power from us, interconnectivity allows you to get credits on your bill when you create more energy than you use.

For most homeowners, the request for interconnectivity takes a little more than 60 days, but some cases take longer. For a detailed discussion of our requirements, see the **COMPLETE GUIDE FOR INTERCONNECTION**. Here's what you can expect once you complete an application to connect to our system.

1

Submit an **APPLICATION**.

If your proposed equipment meets technical and safety requirements, you will be approved for an **INTERCONNECTION AGREEMENT** within 60 days.*

2

Sign the interconnection and purchase agreement.

3

Install your equipment and install the required AC disconnect switch and additional meter socket to house a generation meter, securing any local permits and inspections as required by law. Then, schedule a post-installation inspection**

4

If your equipment passes our post-installation inspection, we'll install a second meter, called the **AMI GENERATION METER**, into the can you mounted. And, then, we'll flip the **AC DISCONNECT SWITCH** to allow your equipment to start powering your home.

* Most (90-95%) of applicants are approved in the first review. If your equipment and complete any modifications deemed necessary, you will be approved for an **INTERCONNECTION AGREEMENT**.

** Most residential equipment is smaller than 25kW. If your **DISTRIBUTED RESOURCE** is bigger, you'll need to follow the additional steps below before scheduling a post-installation inspection.

FREQUENTLY ASKED QUESTIONS

HOW MUCH IS PSO PAYING ME FOR THE POWER I GENERATE? — You will receive a credit on your bill based on rates set by the public utilities commission. The rate varies from time to time — in some cases even monthly.

WILL I GET A CHECK? — No. When you generate more power than you use, you get a credit that offsets your charges on the next month's bill.

WHY DON'T I HAVE POWER DURING A SYSTEM OUTAGE? — Because most inverter based systems are designed to only operate in combination with the utility system to avoid damaging either the system or the distributed resource. The capability also prevents safety issues caused by back feeding of high-voltage distribution lines.

WHAT AM I RESPONSIBLE FOR? — You are responsible for complying with all applicable laws, rules and regulations – as well as the easement, licensing, design, equipment, studies, protection, maintenance, and operation by qualified personnel required to accommodate power generation and/or storage. You're responsible for synchronization with the distribution system, and we are not responsible for damage to your equipment resulting from outages. In addition, you'll be responsible for the cost of any negative impact, investigation, and system upgrades required to accommodate your connection, as well as future modifications prompted by changes in our system and type of service provided.

WHAT HAPPENS IF I SWAP OUT EQUIPMENT? — After an application has been approved, any changes in your project including equipment type, size or rating requires an updated application.

DO I HAVE TO GO THROUGH THIS PROCESS FOR A POWER GENERATOR? — Not if it is strictly used as back-up. If it's a so-called "make-before-break" system, you must get our prior approval.

REFER TO THE COMPLETE GUIDE TO INTERCONNECTION FOR MORE INFO OR CALL 888-216-3523.

TARIFFS/RATES

Visit psoklahoma.com/rates to find the most current rates that apply to your location. The Net Energy Billing Option Tariff, approved by regulators, dictates the time of day you are credited for the energy generated but do not use. Each month, NEBO customers will receive a credit for any excess net energy production from the previous month's billing period, based on the average market price for the same period the energy is produced.

This Time of Day (TOD) rate provides all customers the opportunity to maximize their savings by shifting usage to less expensive off-peak hours.

Visit psoklahoma.com/account/bills/rates/ to find the most current rates that apply to your location.

GLOSSARY OF TERMS

AC DISCONNECT SWITCH — We use this device to safely isolate your equipment from our power supply.

APPLICATION — To connect your equipment to our system, fill out a request form (attached to this guide) or submit one online after May 2020.

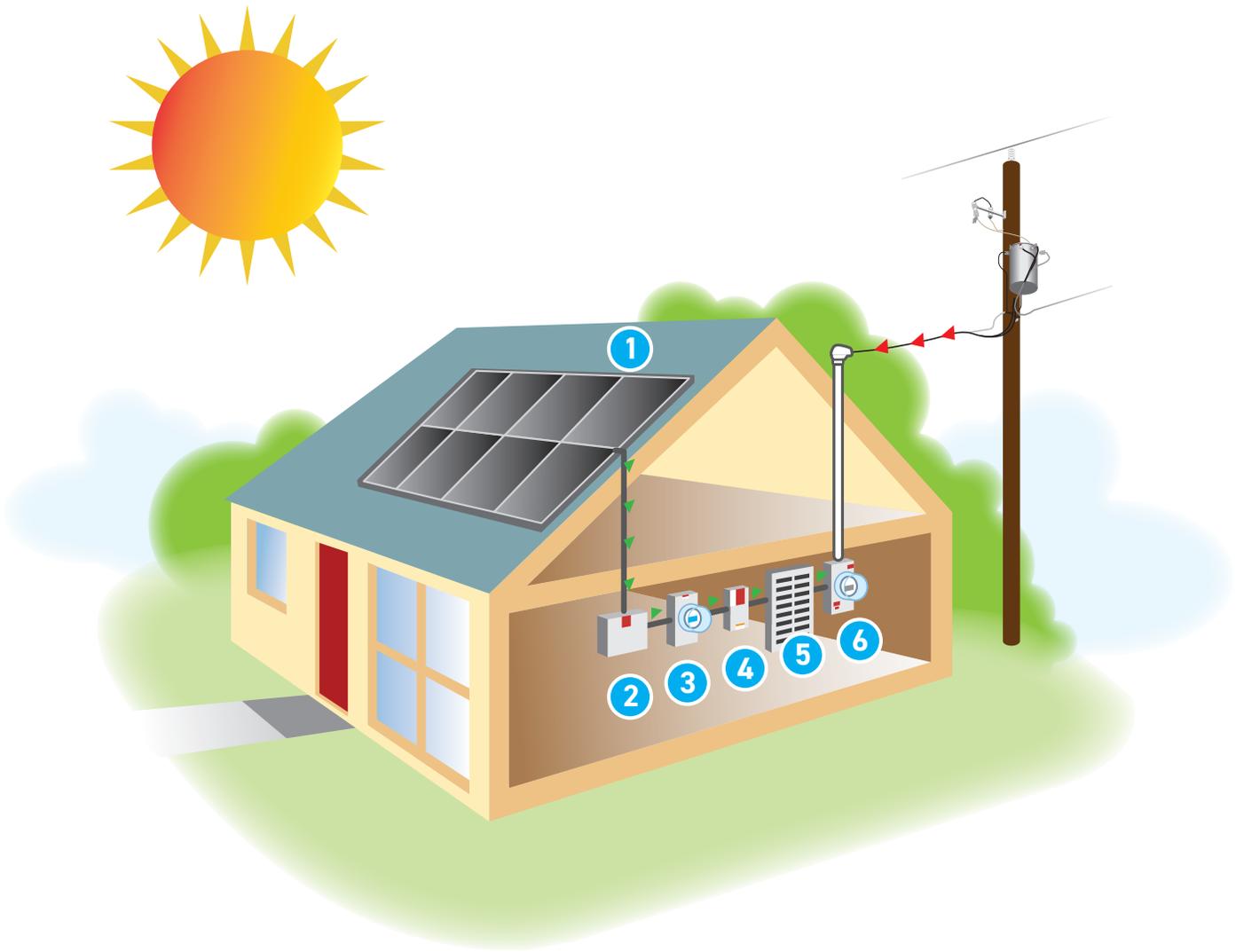
DISTRIBUTED RESOURCE — This is any source of power that is not owned by our utility. For homeowners, the most popular equipment is rooftop solar.

GENERATION METER — This meter measures how much energy your equipment generates. This meter is sometimes called a "second meter" and it operates separately from your existing electric meter.

INTERCONNECTION AGREEMENT — This documents the terms of your connection to our utility, and authorizes the connection of your equipment to our system.

METER SOCKET — This is the outer box that houses a utility meter. It provides the connection between your equipment and a second meter that we install, which is called a GENERATION METER.

TARIFF — The rate or price of power set by your local public utility commission. You are billed based on your usage (or net usage if your system generates more electricity than you use) as measured by the utility meter.



How Interconnection Works

- 1 Distributed Energy Resource** – This is any source of power that is not owned by our utility. For homeowners, the most popular equipment is rooftop solar panels.
- 2 Inverter** – Most distributed energy resources like rooftop solar panels generate direct current (DC) power, while home appliances use alternating current (AC) power. An inverter converts DC power to usable AC power, and provides overcurrent or overvoltage protection.
- 3 Generation Meter** – This meter measures how much energy your equipment generates. This meter is sometimes called a “production meter” and it operates separately from your existing electric meter.
- 4 AC Disconnect Switch** – We use this device to safely isolate your equipment from our power supply. This must be lockable and accessible to our crews at all times.
- 5 Breaker Box** – This is the control box that allows you to shut off power to different sections of your home (or all of your home if desired).
- 6 Utility Meter** – This meter is the typical meter installed in every home when it is powered by our utility. This meter measures how much energy your home is consuming from our utility.

Sample Contract/Agreement

7. **Purchases:** Power and energy delivered to the Producer by the Company as well as any standby services provided shall be sold under the provisions of the Company's applicable rate schedules. Billing for electric purchases by the Company shall be accomplished in the same manner as billing for electric service sold to the Producer. Invoices for purchases shall be prepared by the Company and submitted at the same time to the Producer as a separate statement or as a separate item on the bill for electric service.
8. **Notices:** Any notice under this Contract that either Producer or Company may desire to give to the other shall be in writing and mailed by certified or personal mail delivered to the post office address of the other, as follows:

PUBLIC SERVICE COMPANY OF OKLAHOMA

Mr. Smith

P.O. Box 201

1234 E. Main St.

Tulsa

Oklahoma

Attn:

Or to other

deemed good

9. **Severability:** If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect.

10. **Term:** This Agreement shall remain in effect for a term of thirty (30) months from the date of execution hereof, unless terminated by either party upon written notice. The purpose of this Agreement is to provide for the purchase of electricity by the Company from the Producer.

IN WITNESS WHEREOF, the provisions set forth herein have been executed by the undersigned in written or oral form as duly executed.

PUBLIC SERVICE COMPANY OF OKLAHOMA

(Signature)

Chris Thompson

Supervisor, Customer Service

Contract No:

Chris Thompson
Company Representative

**PUBLIC SERVICE COMPANY OF OKLAHOMA
GENERAL OFFICE – TULSA, OKLAHOMA**

STANDARD ELECTRICITY PURCHASE AGREEMENT FOR SMALL POWER AND COGENERATION FACILITIES (300 KW OR LESS)

This Contract made and entered into on **December 11, 2020**, by and between **Public Service Company of Oklahoma** ("Company") and **Mr. Smith** ("Producer"), doing business on premises located at **1234 E. Main St.**

For Valuable Consideration, Producer and Company agree as follows:

- Small Power and Cogeneration Facility:** Producer intends to own and/or operate an electric generating facility using fuels derived from biomass, waste or renewable energy source, including wind, solar energy, or water to produce electricity, or a cogeneration facility having a maximum rated electrical output of 300 kW. Producer desires to operate such generation parallel with the Company's system and sell a portion or all of the electricity produced to the Company. The Company has no direct financial involvement in the investment, construction, operation or maintenance of Producer's generation facility.
- Changes to Generating Facility:** Producer's generating facility is described in the Interconnect Application already on file with the Company. Changes to the system must be approved by the Company prior to being placed in-service, and may require a new Interconnect Application.
- Use of System:** The Company is willing to permit Producer to operate its generating facility in parallel with Company's system for the purpose of either delivering or self-consuming of the electricity being produced. The Company will provide supplemental and/or standby services to the Producer in accordance with tariffs approved by the Oklahoma Corporation Commission ("Commission" or "OCC").
- Indemnification:** Each party agrees to and shall defend and indemnify and hold harmless the other party, that indemnified party's parent company and all related or affiliated companies, and all officers, directors, shareholders, associates, employees, servants and agents of each, from and against all claims, losses, expenses, including attorney's fees and costs, damages, demands, judgments, claims, causes of actions or suits which arise out of or relate to this agreement due to the negligent act or omission, willful misconduct, other fault of any nature of the indemnifying, its employees, agents, or subcontractors.
- Terms and Conditions of Purchase for Producers of 300 kW or Less:** The Standard Terms and Conditions of Purchase from Producers of 300 kW or Less (Standard Terms and Conditions) are incorporated by reference in this Agreement. Any changes or modifications to this Agreement shall require specific approval of the Commission as provided in OAC 165:40-1-4 of the Standard Terms and Conditions of Purchase for Producers of 300 kW or Less, which are consonant with the Commission's Standard Terms and Conditions as approved by the Commission, and are also incorporated by reference in this Agreement.

Should the Producer dispute the interpretation by the Company of the requirements of the National Electrical Code and/or any applicable municipal code, such Producer may request the dispute be resolved by the Commission.

The Company reserves the right to refuse to connect to any wiring or apparatus which does not meet these requirements, and the Company may, without advance notice, discontinue its connection with any Producer's wiring or apparatus when a dangerous condition of wiring or equipment upon the premises of the Producer is discovered.
- Rate:** The Producer hereby selects the following Rate Option for the term of this Agreement by placing his/her initials in the space provided for the Rate Option selected and by lining through those Rate Options which are not selected:
 Firm Energy: Producer hereby elects to provide Firm Power to the Company and to be paid Firm Power Purchase Rate as set forth in Rate Schedule QF Standard Purchase Schedule. Firm Power means energy delivered to the Company with at least a 65 percent on-peak season capacity factor as the on-peak season is defined in Rate Schedule QF Standard Purchase Schedule. In selecting this option, the Producer understands it has the obligation to deliver Firm Power to the Company. Failure to meet this capacity factor shall result in the penalty specified in the Company's QF tariff.
 Non-Firm Energy: Producer hereby elects to provide as delivered energy and to be paid therefore at the Non-Firm Power Purchase Rate as set forth in Rate Schedule QF Standard Purchase Schedule.
 Net Energy Billing: Producer hereby elects to be paid for energy delivered to the Company on a Net Energy Billing basis as set forth in Rate Schedule NEBO.