SECTION 16

16.01 APPLICABILITY: This section applies to interconnections between Company and qualifying facilities, qualifying alternate energy production facilities, or qualifying small hydro facilities as defined by Company Rate Schedules CSPP and AEP. Each of these types of facilities must comply with all of the requirements of Company's general rules for electric service as well as the applicable provisions of Iowa Administrative Code (IAC) 199 - Chapters 15 and 45.

16.02 PURCHASED POWER: Under the terms and conditions of the standard contract that is contained herein in Section 14.05, Company will purchase from a qualifying facility, with a design capacity of 100 kW or less, all available power at the rates contained in Rate Schedule CSPP. Purchased power cost from a qualifying facility with a design capacity greater than 100 kW will be determined on a case by case basis. Purchases from qualifying alternate energy production or small hydro facilities shall be at rates established by Rate Schedule AEP.

16.03 WHEELING CHARGES: Company shall secure interconnection service on behalf of a qualifying facility interconnected to ITC Midwest's transmission system. Any charges for the transmission of power will be determined in accordance with the Midwest Independent Transmission System Operator, Inc. (MISO) Open Access Transmission Tariff (OATT). If a qualifying alternate energy production or small hydro facility agrees, an electric utility which would otherwise be obligated to purchase electricity from such facility may transmit the electricity to any other electric utility subject to MISO's OATT.

16.04 ECONOMIC PENALTY: No purchases of power will be made by Company from a qualifying facility where it is determined that operating conditions would impose an economic penalty on other ratepayers on Company's distribution system. Reasonable notice of termination of purchases from qualifying facilities will be made by Company where possible when operating conditions make such purchases uneconomic.

16.05 INTERCONNECTION COST: Qualifying facilities and AEP facilities shall be obligated to pay interconnection costs, as described in IAC 199 – Chapter 45.

16.06 SERVICE STANDARDS: The interconnection of qualifying facilities and AEP facilities and associated interconnection equipment to an electric utility system shall meet applicable provisions of the publications listed in IAC 199 – 15.10(1) and 45.3(1).

16.07 SAFETY DEVICES: The Company will not interconnect with any facility prior to review of the facility’s equipment to insure the equipment has been installed in compliance with IAC 199 – 15.10 and 45.3, to protect both the Company’s distribution system and the facility’s distribution system from abnormalities or component failures that may occur within either the facility’s distribution system or the Company’s distribution system.
16.08 MAINTENANCE: In compliance with the provisions of IAC 199 – 45, the AEP shall adopt a program for the regular inspection, maintenance and servicing of the interconnecting equipment to maintain such equipment in a safe and reliable operating condition.

16.09 EMERGENCY DISCONNECTION: The Company may disconnect the distributed generation facility upon any of the conditions and provisions listed in IAC 199 – 15.10 and IAC 199 – 45.

16.10 INSPECTION AND REPAIRS: The Company and AEP shall abide by the provisions of IAC 199 – 15.10(4), 15.10(5), 45.3(3), and 45.3(4) when entering upon AEP’s premises in order to test or inspect the facilities and to install, maintain, repair and remove any facilities owned by the Company and located on AEP property.