



**GENERAL CONDITIONS OF SERVICE -
 SMALL QUALIFYING FACILITIES**

Section No. 9
 Original Sheet No. 4
 Relocated from SDPUC No. 1 Sheet No. 7-4

1. Small qualifying facility (SQF) shall execute an Electric Service Agreement with Company which shall include, among other provisions, a minimum term of service.
2. Power and energy purchased by SQF from Company shall be under the available retail rates for the purchase of electricity.
3. Company shall make compensation monthly for all energy received from SQF less the metering charge. The schedule for these payments is subject to annual review.
4. ~~The metering charge assumes common use of all Company facilities, up to the metering point, for both receipt and delivery of energy. Any additional facilities required by Company to accommodate the SQF will require the SQF to pay a net interconnection charge as defined in Subdivision 1, DEFINITIONS.~~
5. SQF shall make provision for on-site metering. All energy received from and delivered to Company shall be separately metered. On-site use of SQF output shall be unmetered for purposes of compensation. SQF shall cooperate with and allow Company to install and have access to on-site monitoring equipment for purposes of gathering SQF performance data.
6. Interconnection with Company shall be in accordance with the guidelines set forth in the Company's electric rate book, Section 6, General Rules and Regulations, Section 2.4, STANDBY, SUPPLEMENTARY, EMERGENCY, AND INCIDENTAL SERVICES. SQF shall provide and install a Company approved disconnect device (switch) which will physically and visually open the circuit to SQF. The device shall have unrestricted access at all times without prior notice by Company personnel and shall be lockable in open position by Company; shall open all cables to SQF except the neutral; and shall be located near the interconnection point.
7. SQF shall identify, protect, defend, and save harmless Company from and against any and all claims and demands for damages, remote as well as proximate, to property and injury or death to persons, including payments made under any workmen's compensation law or under any plan for employees' disability and death benefits, which may arise out of or be caused by the erection, maintenance, presence, operation, or removal of the qualifying facility, or by any related act or omission of SQF, its employees, agents, contractors, or subcontractors.

(Continued on Sheet No. 9-5)

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Northern States Power Company
Minneapolis, Minnesota 55401

SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

**GENERAL CONDITIONS OF SERVICE -
SMALL QUALIFYING FACILITIES (Continued)**

Section No. 9
Original Sheet No. 5
Relocated from SDPUC No. 1 Sheet No. 7-4

8. The owner of the SQF shall maintain during the term of this agreement liability insurance which insures customer against all claims for property damage and for personal injury or death arising out of, resulting from, or in any manner connected with the installation, operation, and maintenance of the SQF. The amount of such insurance coverage shall be at least \$300,000 per occurrence. The owner shall furnish a certificate from its insurance carrier showing that it has complied with the provisions of this section and providing that the insurance policy will not be changed or canceled during its term without written 90 day notice to NSP.

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