

**INTERCONNECTION AGREEMENT**  
**(Photovoltaic/Solar Electric Generating Facility  
Rated at 10 KW or Less)**

This Interconnection Agreement, dated for convenience, \_\_\_\_\_, \_\_\_\_\_ is entered into by and between the CITY OF GRIDLEY, a California municipal corporation (“CITY OF GRIDLEY”) and \_\_\_\_\_ (“Customer”), located at \_\_\_\_\_, Gridley (Premises) (individually, “Party” and collectively “Parties”).

**SECTION 1. TERM**

1.1 This Interconnection Agreement shall become effective upon its execution by the Parties, and shall continue in force until a Party gives thirty (30) days’ prior written notice of termination to the other Party. The termination shall become effective thirty (30) days after the other party receives the written notice; provided, however, that the effective date of the termination shall not occur before the last day of Customer’s billing cycle, as determined in accordance with CITY OF GRIDLEY’s Utilities Rules and Regulations. This Interconnection Agreement shall be coterminous with any of the following agreements between the Parties: (A) Net Metering Agreement; and Photovoltaic/Solar Program Incentive Agreement.

**SECTION 2. SERVICE ELGIBILITY**

2.1 At all times during the term of this Interconnection Agreement, Customer shall qualify as an “Eligible customer-generator”, as such term defined in Section 2827(b)(2) of the California Public Utilities Code. Customer shall comply with the applicable Utility Rate Schedule for their service and all other applicable rate schedules and rules and regulations of the Utilities Rules and Regulations of the City of Gridley, now and hereafter.

**SECTION 3. ELECTRIC GENERATING FACILITY**

3.1. The photovoltaic/solar electric generating facility (“Equipment”), with which Customer will interconnect and operate in parallel with CITY OF GRIDLEY’s electric utility distribution system, is described below. The Equipment shall be used primarily to offset part or all of Customer’s own electrical service requirements, all or part of which are or have been provided by CITY OF GRIDLEY.

3.2 Equipment Manufacturer and Model Numbers: \_\_\_\_\_

3.3 Photovoltaic/Solar (“PV”) Array Size (kw/dc): \_\_\_\_\_

3.4 Location of Equipment: \_\_\_\_\_ Gridley, CA

Equipment will be ready for operation on or about: \_\_\_\_\_

**SECTION 4. DESIGN REQUIREMENTS**

4.1 Customer shall or shall cause the design, installation, operation, maintenance and repair of the Equipment and shall obtain and maintain the required governmental authorizations, permits and any policy or policies of insurance including, without limitation, commercial general liability, property, and professional liability insurance as may be required by applicable laws, subject only to the provisions of subsection 4.2 hereof.

4.2 Customer shall comply with all applicable photovoltaic/solar or wind electrical generating system safety and performance standards established by or under the National Electrical Code (NEC), the California Electrical Code (CEC), the Institute of Electrical and Electronics Engineers (IEEE) and accredited testing laboratories, including, without limitation, Underwriters Laboratories, and in accordance with the applicable rules and regulations of the California Public Utilities Commission pertaining to the safety and reliability of electrical generating systems and applicable building codes. If the Equipment or Customer's hybrid photovoltaic/solar-wind electric generating system meets the referenced standards, rules and regulations, the Customer shall not be required to install additional controls, perform or pay for additional tests, or purchase additional liability insurance.

**SECTION 5. INTERCONNECTION**

5.1 Customer shall deliver the available energy to its electric service provider at the meter located at Customer's premises.

5.2. Customer shall operate and maintain the Equipment in accordance with all applicable laws, rules and regulations and shall comply with CITY OF GRIDLEY'S interconnection standards, as may be set forth in the applicable Utilities Rate Schedules, Utilities Rules and Regulations and in Exhibit "A" to this Interconnection Agreement.

5.3 Customer shall commence the operation of the Equipment in parallel with CITY OF GRIDLEY's electric utility distribution system unless and until prior written approval of CITY OF GRIDLEY's Director of Utilities, or his/her designee is furnished. CITY OF GRIDLEY shall furnish its approval within ten (10) business days, as practicable, after Customer secures a copy of the final inspection and approval of the Equipment.

5.4 CITY OF GRIDLEY, or its designated representatives, may be present at the final inspection which will be conducted by the governmental authority having jurisdiction to inspect and approve the installation of the Equipment. Customer shall notify CITY OF GRIDLEY of the opportunity to attend the inspection no less than five (5) days prior to the established date of inspection.

**SECTION 6. INTERRUPTION OR REDUCTION OF DELIVERABLES**

6.1 CITY OF GRIDLEY shall not be obligated to accept or pay for, and it may require Customer to interrupt or reduce, the delivery of available energy generated by the Equipment under the following: (a) whenever CITY OF GRIDLEY in its sole judgment determines that the interruption or reduction is necessary in order for CITY OF GRIDLEY to construct, install, maintain, repair, replace, remove, investigate, or inspect any part of CITY OF GRIDLEY's electrical distribution system; or (b) if CITY OF GRIDLEY determines that the interruption or

reduction is necessary on account of an emergency, voluntary or involuntary outage, event of force majeure, or compliance with prudent electrical practices.

6.2 CITY OF GRIDLEY shall give Customer, as practicable, at least 24 hours' notice prior to a planned interruption or outage by CITY OF GRIDLEY or a reduction of delivery of energy by Customer.

6.3 Notwithstanding any other provision of this Interconnection Agreement, if the City determines that either (a) the operation of the equipment may threaten or endanger the health, safety or welfare of CITY OF GRIDLEY's personnel; or CITY OF GRIDLEY's or its personnel's property, or (b) the continued operation of the Equipment may endanger the operational integrity of CITY OF GRIDLEY's electric distribution system, CITY OF GRIDLEY shall have the right to temporarily or permanently disconnect the Equipment from CITY OF GRIDLEY's electric utility distribution system upon the delivery of reasonable notice to Customer, provided however CITY OF GRIDLEY may act without giving prior notice to Customer if it is impracticable to provide the notice. The Equipment shall remain disconnected until such time as CITY OF GRIDLEY's Director of Utilities is reasonably satisfied that the conditions referred to in this subsection have been corrected or sufficiently addressed.

**SECTION 7. ALTERATIONS AND REPAIRS**

7.1 Customer shall (a) maintain the Equipment and interconnection facilities, which interconnects the Equipment with CITY OF GRIDLEY's electric utility distribution, in a safe and prudent manner and in conformance with all applicable laws, rules and regulations, including, without limitation, the design requirements, and (b) obtain any governmental approvals, authorizations and permits that may be required for the construction and operation of the Equipment and the interconnection facilities.

7.2 Customer shall reimburse CITY OF GRIDLEY for any and all losses, damages, claims, penalties, or liability that CITY OF GRIDLEY may incur or sustain as a result of Customer's failure to obtain and maintain any and all governmental approvals, authorizations and permits that may be required for the construction, installation, operation, repair and maintenance of the Equipment.

**SECTION 8. RIGHTS OF INGRESS AND EGRESS**

8.1 During the terms of this Interconnection Agreement, Customer grants to CITY OF GRIDLEY, its officers, employees, agents and representatives, the non-exclusive right of ingress and egress on, over and across the Premises during CITY OF GRIDLEY's regular business hours, without prior notice, for the purposes of inspecting Customer's protective devices, reading and testing on-site meters and disconnecting without notice, the interconnection facilities if, in CITY OF GRIDLEY's Director of Utilities' sole judgment, a condition hazardous to life or property exists, and immediate action is necessary to protect life or property from damage or interference directly caused by the Equipment or as a result of the lack of properly operating protective devices.

**SECTION 9. ASSIGNMENT OF ENVIRONMENTAL ATTRIBUTE(S)**

9.1 Applicant, as a condition of connecting to the City of Gridley's Electrical Distribution System, hereby assigns Any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Generating Facility, as the case may be, and its displacement of conventional energy generation. Environmental Attributes include: (i) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (ii) any avoided emissions of carbon dioxide (CO2), methane (CH4) and other greenhouse gases that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (iii) the reporting rights to these avoided emissions such as Green Tag Reporting Rights.

9.2 Environmental Attributes Reporting Rights: All rights to report ownership of the Environmental Attributes to any Person, including under Section 1605(b) of the Energy Policy Act of 1992.

**SECTION 10. INDEMNITY**

10.1 Each Party, as indemnitor, shall defend, protect, indemnify and hold harmless the other Party, as indemnitee, its directors, employees, and agents of the other Party from and against any and all losses, liability, damages, claims, costs, charges, demands or expenses (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand or expense and reasonable attorneys fees) for injury or death to persons and damage to property arising directly or indirectly, out of or in connection with (a) engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the indemnitor's facilities,

Or

(b) the making of replacements, additions, betterments to, or reconstruction of the indemnitor's facilities; provided, however, Customer's duty to indemnify CITY OF GRIDLEY shall not extend to any loss, liability, damage, claim, cost, charge, demand, or expense resulting from interruptions in electrical services to CITY OF GRIDLEY's electric utility customers other than Customer. Neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand nor expense arising out of or resulting from its sole negligence or willful misconduct.

10.2 Notwithstanding the foregoing indemnity, and except for a Party's willful misconduct or sole negligence, each Party shall be solely responsible for damages to its facilities resulting from electrical disturbances or faults.

10.3 The provisions of this Section 9 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance policy.

10.4 EXCEPT AS OTHERWISE PROVIDED IN SECTION 9.1, A PARTY SHALL NOT BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL DAMAGES INCURRED BY THAT OTHER PARTY.

**SECTION 11. NOTICE**

11.1 Any notice required to be given under this Agreement shall be delivered, in writing, and mailed at any United States Post Office with postage prepaid and correctly addressed to the Party, or personally delivered to the Party, at the address below. Changes to such designation may be made by notice similarly given. All written notices shall be directed as follows:

<p>CITY:</p> <p>City of Gridley          685 Kentucky St.          Gridley, CA 95948          ATTN: City Admin.          Phone (530) 846-5695          Fax (530) 846-3229</p>	<p>CUSTOMER (Contact Information):</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>ATTN: _____</p> <p>Phone: _____</p> <p>Fax: _____</p>
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**SECTION 12 MISCELLANEOUS PROVISIONS**

12.1 This Agreement shall be governed by and interpreted and construed in accordance with the laws of the State of California as if executed and to be performed wholly within the State of California.

12.2 Any amendments or modifications of this Interconnection Agreement shall not be binding upon the Parties unless the Parties agree thereto, in writing. The failure of a Party at any time or times to require performance of any provision hereof, shall in no manner affect the right at a later time to enforce the same. No waiver by a Party of the breach of any covenant, term or condition, contained in this Interconnection Agreement, whether by conduct or otherwise, shall be construed or deemed as a further or continuing waiver of any such breach or a waiver of the breach of any covenant, term or condition, unless such waiver is stated, in writing.

12.3 This Interconnection Agreement shall supersede any existing agreement other than a Grant Agreement, to which Customer may be a Party, under which Customer is currently operating the Facility and any such agreement shall be deemed terminated as of the date this Agreement becomes effective.

IN WITNESS WHEREOF, the Parties by their duly appointed representatives have executed this Interconnection Agreement in Gridley, County of Butte, as of the date first above stated.

**CITY OF GRIDLEY**

**CUSTOMER**

Approved:

\_\_\_\_\_  
City Administrator/Utility Director Signature

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
City Administrator/Utility Director– name printed

\_\_\_\_\_  
Customer Name – printed