



City of Gridley Electric Utility Interconnection Agreement

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

Interconnection Agreement

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This Interconnection Agreement, dated for convenience, _____, 20____ is entered into by and between the City of Gridley, a California municipal corporation (“City”) and _____ (“Customer”), located at _____, Gridley (Premises) (individually, “Party” and collectively “Parties”).

RECITALS

The City of Gridley Electric Utility is a municipal utility organized under California’s Municipal Utility Act (Public Utilities Code §11501, et seq.) and provides retail electrical service to its customers located within Gridley, California.

The City and the Customer desire to enter into an agreement to permit the Customer to install and operate, at the Customer’s expense, a behind the meter energy system to be operated in parallel with the City’s distribution system for the purpose of offsetting all or part of the Customer’s electrical requirements.

Now, therefore, it is mutually agreed by and between the undersigned parties as follows:

SECTION 1. APPLICABILITY

1.1 This Agreement is applied in conjunction with service under the Customer’s existing City Rate Schedule. The applicability, rates, and special conditions contained in these Rate Schedules are included in this Agreement by reference. Customers will not be permitted to aggregate multiple loads (metered accounts) under a single generation installation. Any credits for Energy Transmitted will be applied to the account at the site of the installation only.

SECTION 2. GENERATING FACILITY SPECIFICATIONS

2.1 The photovoltaic/solar electric generating facility (“Equipment”) with which Customer will interconnect and operate in parallel with the City’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 the City.

2.2 Equipment Manufacturer and Model Numbers: _____

2.3 Photovoltaic/Solar Array Size (kw/dc): _____

2.4 Location of Equipment: _____, Gridley, CA

2.5 Equipment will be ready on or about: _____

SECTION 3. BILLING AND PAYMENT

3.1 Excess energy generated will post as a credit on your monthly utility bill at the buyback rate of \$0.045 per kwh. The energy supplied by the City posts as a charge on your utility account, in accordance with the City Master Fee Schedule, that’s billed and due monthly.

3.2 Customer shall pay the same electric monthly basic service charges and other charges identified by state law and/or City ordinance as a mandatory charge according to the terms and conditions of the rate which would be assigned if they were a non-solar customer. The monthly electric bill will reflect these basic service charges in addition to any usage charges for any billing period where consumption was higher than solar production.

SECTION 4. INTERCONNECTION

4.1 The Customer will be fully responsible for furnishing, installing, operating, and maintaining in good order and repair, without cost to the City, equipment and any control, protective and safety devices as the City requires or may require in the future, for parallel operation with its distribution system.

4.2 The Customer shall install, at their expense, adequate protective devices to protect the equipment from over-current, over- or under-voltage and frequency, switching transients and lightning.

4.3. The Customer shall submit to the City, for review and written approval, equipment specifications and detailed plans for the installation of the generating facility prior to the installation of any equipment or connection to the City's distribution system. The City's review and acceptance of the Customer's proposed equipment specifications and detailed plans does not confirm or endorse the Customer's design or the equipment's safety, durability, or reliability. The City is not responsible for strength, details of design adequacy, performance or capacity of equipment, nor is the City's acceptance an endorsement of any equipment.

4.4. The Customer is responsible, at their expense, for obtaining any or all governmental authorizations and permits required for the construction and operation of the electric generating facility and interconnection facilities. Permits required for construction of the electric generating facility shall be obtained from the Butte County Development Services Building Division (Butte County). Customer shall reimburse the City for any and all loss, liability, damage, claim, cost, charge, demand, expense, or penalty the City incurs as a result of Customer's failure to obtain or maintain any or all governmental authorizations and permits required for construction and operation of Customer's generating facility.

4.5. Customer shall not commence parallel operation of the generating facility until the City has given written approval of the interconnection facilities and the required permits have been obtained from Butte County. Such approval shall not be unreasonably withheld. The City shall have reasonable notice of any testing and shall have the right to have representatives present at the initial and any subsequent testing of a Customer's generating facility and associated equipment. Approval for operation is subject to successfully meeting requirements of the City and Butte County inspections.

4.6. All additions, reinforcements, increases in capacity, and extensions of the City equipment needed to make connection to the customer-installed generating facility will be constructed at the Customer's expense and be inspected and approved by the City prior to interconnection. Such additions, increase in capacity, and extensions of the City equipment shall remain the property of the City.

4.7. The Customer shall coordinate with the City regarding proposed generator voltage and number of phases. The Customer may be required to conform to the system voltage and number of phases available in the immediate area.

4.8. The City will allow interconnection between its facilities and the Customer's facilities on a continuing basis as long as the parallel operation of the Customer's generating facility does not

degrade in any way the quality of electric service provided to the City's other customers. The Customer shall ensure that its operation of the generating facility in no way creates unsafe conditions at either its facility or on the City's distribution system.

4.9. The City may perform periodic inspections of the Customer's generating facility without notice to the Customer.

SECTION 5. METERING

Energy Metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions. If the existing electrical meter of an eligible Customer is not capable of measuring the flow of electricity in two directions, the Customer shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions.

SECTION 6. ACCESS TO PREMISES

The City shall have immediate and unhindered access, without notice, to and from the City's equipment for any purpose reasonably connected with the furnishing of electric services, including, but not limited to, inspection, reading, testing, maintenance, removal and replacement of the City meters and equipment, or for the purposes of observing or testing of the Customer's generating facility and associated equipment.

SECTION 7. OPERATING STANDARDS AND REQUIREMENTS

7.1. The Customer will coordinate with the City, in advance, all distribution system paralleling, separation, shutdowns, equipment clearances, and other operations or activities that affect the interconnection with the City's distribution system. For planned outages, the Customer will give the City 48-hour notice of such activities. Planned outages include, but are not limited to, routine maintenance, repairs, equipment or facility changes or upgrades, testing, and demonstrations. For unplanned outages, the Customer will provide notice as soon as practicable, but within 24 hours of the event. Reasons for unplanned outages include, but are not limited to, emergencies, fire, flood, earthquake, mechanical failure, accidents, unsafe operating conditions, inadvertent tripping of fuses, breaker switches or other protective devices, power quality problems, system checking and testing of an unplanned nature, and interruptions in the supply of fuel.

7.2. The City may disconnect, without notice, the Customer's parallel generating facility in order to construct, install, maintain, repair, replace or inspect the City facilities; or for emergencies, forced outages, force majeure or for any reason due to operating conditions on the distribution system; or if, at the City's sole discretion, a hazardous condition exists and such immediate action is necessary to protect persons, equipment or property from harm, damage or interference caused by the Customer's generating facility and associated equipment or facilities. The Customer's generating facility shall remain disconnected until such time as the City is satisfied that the condition(s) referenced above have been corrected.

7.3. Whenever possible, the City shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

7.4. The City is not liable for lost generation for any reason or cause, including, but not limited to, the reasons listed in Section 7.2 above.

SECTION 8. INTERFERENCE WITH QUALITY OF SERVICE

8.1. The City can refuse to connect or remain connected to any new or existing equipment that may

interfere with the quality of the City operation or electric service to its customers. At the expense of the Customer the City may elect to perform system impact studies on any or all installations.

8.2. The Customer will not operate equipment that superimposes upon the City's distribution system a voltage, current, or frequency which causes interference with the City's provision of electric service to the City customers or interference to communication facilities. If the Customer causes electric service interference to others, the Customer must take corrective action, at Customer's expense, after being given notice and reasonable time to do so by the City or after being disconnected by the City, in accordance with Section 7.2 above. The Customer shall notice the City with any corrective action prior to it being taken. As to any corrective action, the Customer must comply with any other requirements of this Agreement.

SECTION 9. FORCE MAJEURE

The City shall not be subject to any liability or damage for inability to provide service, and the Customer shall not be subject to any liability or damage for such inability to receive service, to the extent that such inability shall be due to causes beyond the control of the party seeking to invoke this provision, including, but not limited to, the following: (a) the operation and effect of any rules, regulations and orders promulgated by any Commission, municipality, or governmental agency of the United States, or subdivisions thereof; (b) restraining order, injunction, or similar decree of any court; (c) war; (d) flood; (e) earthquake; (f) act of God; (g) sabotage; or (h) strikes or boycotts. The Party claiming Force Majeure under this provision shall make every attempt to remedy the cause thereof as diligently and expeditiously as possible.

SECTION 10. INDEMNITY

10.1. Except for loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees, caused solely by the negligence of the City, its City Council, officers and employees, the Customer shall indemnify, defend and hold harmless the City, its City Council, officers and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees, regardless of the merits or outcome of any such claim or suit arising from, or in any manner connected to, the negligent act or omission of the Customer or Customer's agent regarding the compliance by the Customer or Customer's agent with any provision of this Agreement.

10.2. Except for loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees, caused solely by the negligence of the City, its City Council, officers and employees, the Customer shall indemnify, defend and hold harmless the City, its City Council, officers and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees, accruing or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, equipment or supplies arising from, or in any manner connected to, the negligent act or omission of the Customer or Customer's agent regarding the compliance by the Customer or Customer's agent with any provision of this Agreement.

10.3. The provisions of this Section 10 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. If the Customer or Customer's agent fails to comply with any insurance provisions, the Customer shall indemnify, defend and hold harmless the City, its City Council, officers and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees, accruing or resulting from the death or injury to any person or damage to

any property, including the personnel and property of the City, to the extent that the City would have been protected had the Customer complied with all such insurance provisions. The inclusion of this Section 10.4 is not intended to create any expressed or implied right for the Customer or Customer's agent to elect not to provide any such required insurance.

SECTION 11. BINDING AGREEMENT

This Agreement shall be binding on any assignee, successor or agent of the Customer.

SECTION 12. NOTICES

12.1. All notices, demands, requests or approvals to be given under this Agreement shall be given in writing, and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided.

12.2. All notices, demands, requests, or approvals from the Customer to the City shall be addressed to the City at:

Gridley Electric Utility
685 Kentucky Street
Gridley, CA 95948

All notices, demands, requests, or approvals from the City to Customer shall be addressed to the Customer at:

Customer Name: _____
Mailing Address: _____
City, State, Zip: _____

SECTION 13. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer and the City and shall remain in effect thereafter month-to-month unless terminated by either Party in accordance with the provisions of Section 14 below.

SECTION 14. TERMINATION

14.1. Either Party may terminate this agreement for any reason after giving thirty (30) days' written notice in accordance with Section 12 above.

14.2. The City may terminate this Agreement after giving ten (10) days' written notice in accordance with Section 12 above if the Customer fails or refuses to comply with any of the provisions hereof at the time and in the manner required hereunder, or those contained in the applicable the City Rate Schedule; or fails or refuses to comply with federal, state, or local codes, regulations, or rules, including, but not limited to, the City's Rules and Regulations; or fails or refuses to correct an unsafe or disruptive condition after having been given proper written notice in accordance to Section 12 above, specifying the nature of condition(s) and the steps necessary to correct such condition(s), and after having been given reasonable time to correct the condition(s) referenced above by the City.

14.3. In the event that the City terminates this Agreement in accordance with the provisions of Section 14.2 above, the Customer will cease operating the Customer's parallel generating facility and will revert back to taking full-requirements electric service from the City under the Customer's

applicable the City Rate Schedule.

14.4. Upon termination of this Agreement, each Party shall pay to the other Party that portion of compensation or reimbursement specified in this Agreement that is due and unpaid prior to the effective date of termination.

SECTION 15. COMPLIANCES

The Customer shall comply with all laws, state or federal and all ordinances, rules and regulations enacted or issued by the City that pertain to the execution of this agreement and the operation and interconnection of the Customer’s generating facility.

SECTION 16. CONFLICT OF LAW

This Agreement shall be interpreted under and enforced by the laws of the State of California excepting any choice of law rules that may direct the application of laws of another jurisdiction. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the courts of the County of Gridley, State of California.

SECTION 17. WAIVER

A waiver by the City of any breach of any term, covenant, or condition contained herein, shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

SECTION 18. INTEGRATED CONTRACT

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties hereto, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both the City and the Customer.

SECTION 19. INSERTED PROVISIONS

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If, through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

SECTION 20. CAPTIONS

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

SECTION 21. SIGNATURES

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:

Utility Director Signature

Customer Signature

Utility Director, Printed

Customer, Printed

City Administrator Signature

City Administrator, Printed