

ANZA ELECTRIC COOPERATIVE, INC.
ELECTRICAL DISTRIBUTED GENERATING FACILITY INTERCONNECTION
AGREEMENT

This Electrical Distributed Generating Facility Interconnection Agreement (“Agreement”) is entered into by and between _____ (“Member”), and Anza Electric Cooperative, Inc. (“AEC”), sometimes also referred to herein jointly as “Parties” or individually as “Party.”

1. APPLICABILITY

This Agreement is applicable only to Members who satisfy all requirements of the definition of a Renewable Electrical Generating Facility (“Generating Facility”) as set forth in paragraph 1 of subdivision (a) of Section 25741 of the California Public Resources Code.

2. SUMMARY OF GENERATING FACILITY AND MEMBER ACCOUNT

- 2.1 Generating Facility Identification Number: DG
- 2.2 Member Meter Number: _____
- 2.3 Member Service Account Number: _____
- 2.4 Applicable Rate Schedule: DG-
- 2.5 Generating Facility Location: _____

2.5.1 This agreement is applicable only to the Generating Facility described below and installed at the above location. The Generating Facility may not be relocated or connected to AEC’s system at any other location without AEC’s express written permission.

2.5.2 This Agreement is applicable only to Renewable Electrical Generating Facilities, which includes biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells (using renewable fuel), small hydroelectric generation, digester gas, municipal solid waste conversion, landfill gas, and any additions or enhancements using such technology.

2.5.3 Renewable Electrical Generating Facilities using fuel cells, municipal solid waste conversion, and small hydroelectric generating will be required to sign an Affidavit certifying the following criteria have been met:

- a) For purposes of this Agreement, qualifying “solid waste conversion” is defined pursuant to Public Resources Code Section 25741(b)(3).
- b) For purposes of qualifying under “fuel cell” using renewable fuels, the Generating Facility must use technology the California Public Utilities Commission (“Commission”) determines will achieve reductions in emissions of greenhouse gases and meet emissions requirements for eligibility for funding pursuant to the Self-Generation Incentive Programs.
- c) A “small hydroelectric” generating facility is not an eligible Generating Facility if it will cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow.

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2.6 Generating Facility Technology (Technologies using the renewable resources reflected above): _____

2.7 Generating Facility Nameplate Rating (**SEE 3.5 BELOW**): _____

2.8 Estimated monthly energy production of Generating Facility (kWh): _____

3. GENERATING FACILITY INTERCONNECTION AND DESIGN REQUIREMENTS:

3.1 Member shall be responsible for the design, installation, operation, and maintenance of the Generating Facility and shall obtain and maintain any required governmental authorizations and/or permits.

3.2 The Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as Underwriters Laboratories ("UL"), and, where applicable, rules of the Commission regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929, UL Standard 1741 and AEC's Policy 306 – Interconnection of Distributed Generation Resources.

3.3 Member shall not commence parallel operation of the Generating Facility until written approval has been provided to it by AEC. AEC shall normally provide such written approval no later than 30 business days following AEC's receipt of 1) a completed Distributed Generation Application including all supporting documents and required payments, 2) a completed signed Distributed Generation Interconnection Agreement, and 3) evidence of the Applicant's final electric inspection clearance from the Government Authority having jurisdiction over the Generating Facility. If the 30-day period cannot be met, AEC shall notify Applicant and the Commission of the reason for the inability to process the interconnection request and the expected completion date.

3.4 AEC shall have the right to have its representatives present at the final inspection made by the governmental authority having jurisdiction to inspect and approve the installation of the Generating Facility.

3.5 Generating facility nameplate rating is limited as follows:

- **Rate Schedule DG-1 and DG-2:** **Maximum of 5 KW DC**
- **Rate Schedule DG-10, DG-14 and DG-20:** **Maximum of 10 KW DC**

Member shall not add generation capacity in excess of the Nameplate Rating set forth in Section 2.7 of this Agreement, or otherwise modify the Generating Facility without the prior written permission of AEC.

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4. METERING AND BILLING:

Metering requirements and billing procedures shall be set forth in the AEC rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

5. DISCONNECTION, INTERRUPTION OR REDUCTION OF DELIVERIES:

5.1 AEC may require Member to interrupt or reduce the output of its Generating Facility under the following circumstances:

- (a) Whenever AEC deems it necessary in its sole judgment, to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its electric system; or
- (b) Whenever AEC determines in its sole judgment, that curtailment, interruption, or reduction of Member's electrical generation is otherwise necessary due to emergencies, forced outages, force majeure, or compliance with prudent electrical practices.

5.2 Notwithstanding any other provision of this Agreement, upon termination of this Agreement or at any time AEC determines the continued parallel operation of the Generating Facility may endanger the public or AEC personnel, or affect the integrity of AEC's electric system or the quality of electric service provided to other members, AEC shall have the right to require the Generating Facility to be immediately disconnected from AEC's electric system. The Generating Facility shall remain disconnected until such time as AEC is satisfied, in its sole judgment that the condition(s) causing such disconnection have ended or have been corrected.

5.3 Whenever feasible, AEC shall give Member reasonable notice of the possibility that interruption or reduction of deliveries may be required.

5.4 Electrical energy and capacity provided to Member during periods of curtailment or interruption of the output of the Generating Facility shall be provided pursuant to the terms of the rate schedule(s) applicable to the electric service account to which the Generating Facility is connected.

6. ACCESS TO PREMISES:

AEC may enter Member's premises at all times, without notice to Member for emergency purposes only.

- (a) To inspect Member's protective devices or check meter(s); to ascertain there is no power flow; or
- (b) To disconnect the Generating Facility and/or service to Member, whenever in AEC's discretion, a hazardous condition exists and such immediate action is necessary to protect persons, AEC's facilities, or property of others from damage or interference caused by the Generating Facility, or the failure of properly operating protective devices.

AEC will make prior arrangements with the Member for gaining emergency access to Member's premises by obtaining keys to a lock box or a padlock or by making other mutually agreeable arrangements.

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7. INDEMNITY AND LIABILITY:

- 7.1 Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorneys' fees) for injury or death to persons, including employees of either Party, and damage to property, including property of either Party, arising out of or in connection with (a) the 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. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand, or expense resulting from its sole negligence or willful misconduct.
- 7.2 The indemnitor shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity and shall pay for all costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.
- 7.3 The provisions of this Section 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.
- 7.4 Except as otherwise provided in Section 7.1, neither Party shall be liable to the other Party for consequential damages incurred by that Party.
- 7.5 Nothing in this Agreement shall create any duty to, any standard of care with reference to, or any liability to any person who is not a Party to it.
- 7.6 Notwithstanding the provisions of Section 7.1, Member shall be responsible for protecting its Generating Facility from damage by reason of the electrical disturbances or faults caused by the operation, faulty operation, or non-operation of AEC's facilities, and AEC shall not be liable for any such damage so caused.

8. GOVERNING LAW:

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California.

9. CALIFORNIA PUBLIC UTILITIES COMMISSION:

- 9.1 This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction.
- 9.2 Notwithstanding any other provisions of this Agreement, AEC has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application or notice for change in rates, charges, classification, service, or rule or any agreement relating thereto.

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10. AMENDMENT, MODIFICATIONS, WAIVER OR ASSIGNMENT:

- 10.1 This Agreement may not be altered or modified by either of the Parties, except by an instrument in writing executed by each of them.
- 10.2 None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.
- 10.3 This Agreement shall supersede any existing agreement under which Member is currently operating the Generating Facility identified in Section 2, herein, and any such agreement shall be deemed terminated as of the date this Agreement becomes effective.
- 10.4 This Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement.
- 10.5 A new Member of Record or New Party In (NPI) who owns, leases, or rents a premises with an operating DG eligible facility, previously approved by AEC for Parallel Operation, does not have to submit a new interconnection agreement as long as the Member meets the requirements of Schedule DG. This will also apply to premises where the developer/contractor establishes the interconnection, so that the Member who buys/rents/leases the premises will not have to re-submit and sign a new interconnection agreement.

A new Member of Record or NPI, who owns, rents or leases a premises that includes DG eligible electrical generating facilities that were approved by AEC for Parallel Operation prior to the new Member or NPI moving in and/or taking electric service with AEC will take service on Schedule DG as long as the requirements of this section are met. To be eligible, the new Member or NPI must 1) ensure that the generating facility is compliant with all applicable safety and performance standards as delineated in AEC's Policy 306 and other applicable tariffs in effect at the time of initial approval for Parallel Operation; 2) keep in force the amount of property, commercial general liability and/or personal liability insurance the NPI or new Member has in place at the time it initiates service on this tariff; 3) understand that AEC may from time to time release to the California Energy Commission and/or the California Public Utilities Commission, information regarding the new Member or NPI's facility, including NPI or new Member's name and Generating Facility location, capacity and operational characteristics. AEC will provide the NPI or new Member with a copy of the interconnection agreement in effect and as signed by the previous member, which will remain unchanged, (ii) a copy of the appropriate DG tariff, and (iii) AEC's website information on the DG tariff.

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11. NOTICES:

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

ANZA ELECTRIC COOPERATIVE, INC.
Attn: DG Program Administrator
P.O. Box 391909
Anza, CA 92539

MEMBER:
Account No. _____
Name: _____
MailingAddress _____
Mailing City: _____ Mailing State: _____
Mailing Zip Code: _____

11.2 Member's notices to AEC pursuant to this Section shall refer to the Member Service Account Number that is set forth in Section 2.1

12. TERM AND TERMINATION OF AGREEMENT:

12.1 This Agreement shall become effective when AEC issues written authorization to interconnect the Generating Facility after receipt of all required documents, and this completed Agreement signed by the Member and AEC, and shall remain in effect thereafter from month to month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 11.

12.2 This Agreement shall terminate, without notice, upon: (a) termination of the electric distribution service provided to Member by AEC; or (b) changes to Member's electric load which cause Member to no longer satisfy all requirements of the definition of an Eligible Customer-Generator, as set forth in Section 2827(b)(4) of the California Public Utilities Code.

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13. RATE REVIEW:

Member: Please review the following and initial next to each item indicating your understanding.

Initial here

_____ I understand the monthly rate for residential service will be increased from \$24.00 to \$45.00.

_____ I understand that credit for kWh generated will be at the Avoided Cost rate which is currently \$.0594.

_____ I understand that this rate fluctuates from year to year.

14. SIGNATURES:

This Agreement may be executed in counterparts, and by Electronic Signature on the part of AEC and/or the Member, and copies of a Party's signed signature page may be transmitted to the other Party by facsimile or other electronic means. Copies of the signature page so transmitted may be used for the purpose of enforcing the terms of this Agreement as though they were originals and will not be made inadmissible in any legal or regulatory proceeding concerning this Agreement on the basis of the Best Evidence Rule or similar rule of admissibility.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective as provided in Section 12.1 above.

MEMBER

ANZA ELECTRIC COOPERATIVE, INC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____