

Customer Generation Program

This **Interconnection Agreement** (“**Agreement**”) is between _____ (“**Customer**”) and The City of Seattle (“**City**”) acting by and through its Seattle City Light Department (“**SCL**”). **Customer** and **SCL** may be referred to collectively as “**Parties**” and individually as “**Party**”.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. CUSTOMER’S RESPONSIBILITIES

- 1.1. Customer shall design, install, inspect, operate, and maintain an electric generation system in accordance with all applicable laws and regulations, including, but not limited to, all safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories. The Customer owned and operated electric generation system shall be located solely on Customer’s property and Customer shall remain responsible for its electric generation system up through the point of common coupling as more specifically defined in SCL’s *Standards for Interconnection of Generators 25 kW and Less in Capacity to Seattle City Light’s Electrical Distribution System* (SCL’s “*Interconnection Standards*”, which are incorporated into this Agreement by reference) and SCL shall bear no liability or responsibility for the same.
- 1.2. Customer is responsible for obtaining all required permits & approvals for the Customer-owned and operated electric generation system and is responsible for the actions of contractors or other agents hired by the Customer for design and installation of the system.
- 1.3. For as long as the Customer owned and operated electric generating system shall remain interconnected with SCL’s electrical distribution system, Customer shall (i) maintain such electrical generating system and interconnection facilities in a safe and prudent manner, in conformance with all applicable laws and regulations, including SCL’s *Interconnection Standards*; (ii) obtain any governmental authorizations and permits required for the construction, operation and maintenance of the electric generating system and interconnection facilities, including electrical permit(s); and (iii) reimburse SCL for any and all losses, damages, claims, penalties, or liability it incurs as a result of Customer’s failure to obtain or maintain any governmental authorizations and permits required for construction, operation and maintenance of the Customer’s electric generation system and interconnection facilities or failure to maintain the same as required in this Section.
- 1.4. If applying for incentive payments through the Washington State Renewable Energy Production Incentive Program administered by SCL, a production meter is required. See Section 4 for details.

2. INTERCONNECTION

- 2.1. Customer shall comply with SCL’s *Interconnection Standards*, which are incorporated into this Agreement by reference. SCL’s *Interconnection Standards* are found in Department Policy and Procedure (DPP) III – 305 *Standards for Interconnection of Generators 25 kW and Less in Capacity to Seattle City Light’s Electrical Power System*.
- 2.2. Provided Customer complies with SCL’s *Interconnection Standards*, SCL agrees to allow Customer to interconnect with SCL’s electrical distribution system. SCL shall have the sole authority to determine which interconnection requirements set forth in SCL’s *Interconnection Standards* are applicable to the Customer’s electric generation system.
- 2.3. A separate Agreement shall be entered into for each electrical service location of the Customer.
- 2.4. SCL shall have the right to require written approval prior to interconnection and to have representatives present at the initial testing of Customer’s protective apparatus.
- 2.5. Once the Customer’s generation system is in operation, the Customer shall make no changes or modifications in the equipment, wiring, or the mode of operation without the prior approval of SCL.
- 2.6. To the extent a dispute arises out of any of the requirements under this Section 2, Customer agrees that the Superintendent of City Light shall be the sole judge of any dispute.

3. NET METERING AND BILLING

- 3.1. SCL shall measure the net electricity produced or consumed by the Customer during each billing period, in accordance with SCL's normal metering practices.
- 3.2. If the electricity supplied by SCL exceeds the electricity generated by the Customer, then the Customer shall be billed for the net electricity supplied by SCL, at the rate and with the same customer charge(s) paid by other customers of SCL in the same rate class.
- 3.3. If the electricity generated by the Customer exceeds electricity consumed by the Customer and is distributed back to SCL during the billing period, then the Customer; (i) shall be billed for the same customer charge(s) paid by other customers of SCL in the same rate class; and shall be credited for the net excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on the Customer's bill for the following billing period; (ii) agrees that in each new net metering fiscal year beginning May 1 of each year, any and all kilowatt-hour credits remaining in the Customer's account at the time of the Customer's first scheduled meter reading of the new fiscal year shall be set to zero.

4. PRODUCTION METERING

A production meter for the Customer owned and operated electric generation system is required to apply for incentive payments through the Washington State Renewable Energy Production Incentive Program administered by SCL. If such a meter is not already installed, Customer is responsible for installing a meter base per SCL requirements. SCL will provide and install the production meter at the Customer's sole cost and expense. SCL will read the production meter according to Customer's regular revenue meter reading cycle.

5. INTERRUPTION OR REDUCTION OF DELIVERIES

- 5.1. SCL may require Customer to interrupt or reduce deliveries as follows: (i) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or (ii) if SCL determines that curtailment, interruption, or reduction is necessary because of emergencies, or compliance with good electrical practices as determined by SCL.
- 5.2. To the extent reasonably practicable, SCL shall give Customer notice of possible interruption or reduction of deliveries.
- 5.3. Notwithstanding any other provision in this Agreement, if at any time SCL determines that either Customer's electrical generation system and/or interconnection facilities may (i) endanger SCL personnel, or (ii) the continued operation of Customer's facilities may endanger the integrity of SCL's electric system, SCL shall have the right to disconnect Customer's facilities from SCL's electric system. Customer's electrical generation system and/or interconnection facilities shall remain disconnected until such time as SCL is satisfied that the condition(s) that caused the problems with interconnection have been corrected.

6. ACCESS TO PREMISES

Customer shall provide SCL with free 24-hour access to Customer's premises and/or property. SCL may enter Customer's premises or property (i) to inspect with prior notice at all reasonable hours Customer's protective devices and to read meter; and (ii) to disconnect the interconnection facilities at SCL's revenue meter, if, in SCL's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or SCL's facilities, or property of others from damage or interference caused by Customer's electrical generation system and/or interconnection facilities, or lack of properly operating protective devices or inability to inspect the same.

7. INDEMNITY AND LIABILITY

- 7.1. The Customer hereby indemnifies and agrees to hold harmless and release the City and its elected officials, officers, employees and agents and each of the heirs, personal representatives, successors and assigns of any of the foregoing, (collectively, the "Indemnities") from and against any and all losses, claims, damages, costs, demands, fines, judgments, penalties, obligations, payments and liabilities, together with any costs and expenses (including without limitation attorneys' fees and out-of-pocket expenses and investigation expenses) incurred in connection with any of the foregoing, resulting from, relating to or arising out of or in connection with: (i) any failure or abnormality in the operation of the Customer's electrical generation system, interconnection facilities or any related

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equipment or wiring; (ii) any failure of the Customer to comply with the standards, specifications, or requirements referenced in this Agreement (including appendices hereto) which results in abnormal voltages or voltage fluctuations, abnormal changes in the harmonic content of its generating facility output, single phasing, or any other abnormality related to the quantity or quality of the power produced by Customer's electrical generation system, interconnection facilities or any related equipment or wiring; (iii) any failure of the Customer to duly perform or observe any term, provision, covenant, agreement or condition hereunder to be performed or by or on behalf of the Customer or (iv) any negligence or intentional misconduct of Customer related to operation of its electrical generation system, interconnection facilities or any related equipment or wiring.

- 7.2. As between the Parties and solely for the purpose of effectuating the indemnities contained in section 7.1, Customer expressly waives any immunity, defense or protection that may be granted to it under the Washington State Industrial Insurance Act, Revised Code of Washington Title 51 or any other industrial insurance, workers' compensation or similar laws of the State of Washington. This section shall not be interpreted or construed as a waiver of Customer's right to assert any such immunity, defense or protection directly against any of its own employees or such employee's estate or other representatives. The Parties have mutually negotiated this section 7.2.

Initialed by:

Customer _____ SCL _____

- 7.3. To the extent that Customer purchases and maintains commercial general liability insurance outside of any requirement under this Agreement, Customer agrees to add the City as an additional named insured provided there is no additional monetary cost to Customer.

8. FORCE MAJEURE

- 8.1. Suspension of Obligations. Neither Party shall be liable to the other for, or be considered to be in breach of or default under this Agreement because of, any failure or delay in performance by such Party under this Agreement to the extent such failure or delay is caused by or results from any such cause or condition which is beyond such Party's reasonable control, or which such Party is unable to prevent or overcome by exercise of reasonable diligence (any such cause or condition, a "Force Majeure"), including breach of contract or failure of performance by any person providing services to SCL which the Department intended to use in its performance under this Agreement.
- 8.2. Notice; Required Efforts to Resume Performance. Any Party claiming Force Majeure shall give the other Party maximum practical advance notice of any failure or delay resulting from a Force Majeure, and shall use its reasonable best efforts to overcome the Force Majeure and to resume performance as soon as possible; provided however, that nothing in this Agreement shall be construed to require either Party to settle any labor dispute in which it may be involved.
- 8.3. No Excuse of Payment Obligations. Notwithstanding any other provision of this Agreement, in no event shall a Force Majeure excuse a Party's failure or delay to pay any amounts due and owing to the other Party under or pursuant to this Agreement.

9. INDEPENDENT CONTRACTORS

The Parties hereto are independent contractors and shall not be deemed to be partners, employees, franchises or franchisers, servants or agents of each other for any purpose whatsoever under or in connection with this Agreement.

10. ASSIGNMENT; BINDING AGREEMENT

The Customer shall not assign its rights under this Agreement to any other Party without the express written consent of SCL. SCL may impose reasonable conditions on any such assignment to ensure that all of Customer's obligations under this Agreement are met and that none of the Customer's obligations are transferred to SCL as a result of default, bankruptcy, or any other cause.

11. NO THIRD PARTY BENEFICIARIES

Except as expressly set forth in this Agreement, none of the provisions of this Agreement shall inure to the benefit of or be enforceable by any third party.

12. ENTIRE AGREEMENT

This Agreement, and "SCL's Interconnection Standards", which are incorporated into this Agreement by reference, set forth the entire agreement of the Parties and supersede any and all prior agreements with respect to the subject matter of the Agreement. The rights and obligations of the Parties hereunder shall be subject to and governed by this Agreement.

13. GOVERNING LAW; VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington (regardless of the laws that might otherwise govern under applicable principles of conflicts of law of such state). Venue for any action arising under or in connection with this Agreement shall be in the Superior Court for King County, Washington, or in the United States District Court for the Western District of Washington.

14. RULES OF CONSTRUCTION; STATUTORY REFERENCES

No provision of this Agreement shall be construed in favor of or against either of the Parties hereto by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which such provision or any other provision or provisions of this Agreement is or are inconsistent with any prior draft thereof. Any reference to statutes or laws will include all amendments, modifications, or replacements of the specific sections and provisions concerned.

15. AMENDMENT; MODIFICATIONS OR WAIVER

Any amendments or modifications to this Agreement shall be in writing and agreed to by both Parties. The failure of any Party at any time 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 any Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or waiver of the breach of any other term or covenant unless such waiver is in writing.

16. NOTICES AND OTHER COMMUNICATIONS

Notice Methods and Addresses. All notices, requests, demands and other communications required or permitted to be given under this Agreement shall be given in writing (i) by personal delivery, (ii) by recognized overnight air courier service, (iii) by United States postal service, postage prepaid, registered or certified mail, return receipt requested, (iv) by facsimile transmission, using facsimile equipment providing written confirmation of successfully completed transmission to the receiving facsimile number, or (v) email. All notices to either Party shall be made to the addresses set forth below. Any notice shall be deemed to have been given on the date delivered, if delivered personally, by overnight air courier service or by facsimile transmission; or, if mailed, shall be deemed to have been given on the date shown on the return receipt as the date of delivery or the date on which the United States postal service certified that it was unable to deliver, whichever is applicable.

17. TERM OF AGREEMENT

This Agreement shall be and remain in effect until terminated by either Party on thirty (30) day's prior written notice and shall immediately terminate upon sale or transfer of the generating system to another owner.

18. SALE OR TRANSFER OF GENERATION SYSTEM

The Customer shall notify SCL within thirty (30) days of sale or transfer of the generating system to another owner.

(Signature required on next page.)

Customer Generation Program**Customer****Seattle City Light**_____
Print name_____
Print name_____
Mailing address

Mailing address

Phone_____
Phone_____
Phone_____
Phone_____
Fax_____
Fax_____
Email_____
Email_____
Signature_____
Signature_____
Date_____
Date**Application Submittals Checklist** *Be sure to include:*

- Completed & signed *Interconnection Application & Agreement* (be sure to initial Section 7.2, page 4)
- One-Line Electrical Diagram
- Inverter Specification Sheet
- Completed & signed *Application for Electric Service* – to request a production meter (if applying for WA Renewable Energy Production Incentive)
- Check for \$59 payable to Seattle City Light for production meter (if applying for WA Renewable Energy Production Incentive)

Mail all documentation and check to: Seattle City Light, 1300 N 97th Street, ATTN: Intake Desk, Seattle, WA 98103-3320