

Seattle City Light
INTERCONNECTION & NET METERING AGREEMENT *
For Customer-Owned, Grid Connected Electric
Generating Systems of 25kW or Less

FOR INFORMATION ONLY – PLEASE REQUEST LEGAL AGREEMENT FROM SEATTLE CITY LIGHT
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This INTERCONNECTION & NET METERING AGREEMENT ("Agreement") is between _____ ("Customer") and THE CITY OF SEATTLE ("City"), acting by and through its Seattle City Light Department ("Department" or "SCL"). Customer and Department may be referred to collectively herein as "Parties" and individually as "Party".

1. CUSTOMER ELECTRIC GENERATING SYSTEM

- 1.1. Customer's Application for Net Metered Electrical Generation, including the location of the electrical generating installation and details on the electrical generating unit(s), for Net Metered Electrical Generation is hereby incorporated into this agreement as Appendix A.
- 1.2. Customer has elected, in accordance with RCW 80.60 and City Ordinance 120111 to operate, at their own expense, either a net metering system using fuel cell, solar, wind or hydropower electric generating system, with a generating capacity of not more than twenty-five kilowatts aggregated at the service interconnection point, in parallel with SCL's electrical system. This generating system is intended to offset either part or all of the Customer's electrical requirements.
- 1.3. A separate agreement shall be entered into for each electrical service location of Customer.
- 1.4. The electrical Generating System used by the Customer shall be located on the Customer's premises. It shall include all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the latest revisions of National Electrical Code (Articles 690 and 705), National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and SCL's Interconnection Standards, as set forth in Appendix B, which is attached hereto and incorporated herein.
- 1.5. SCL shall have the sole authority to determine which interconnection requirements set forth herein or (including appendices) are applicable to Customer's proposed installation.

2. TERMS OF NET METERING BILLING AND ENERGY CREDITING

- 2.1. SCL shall measure the net electricity produced or consumed by the Customer during each billing period, in accordance with SCL's normal metering practices.
- 2.2. 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 as Customer.
- 2.3. If the electricity generated by the Customer exceeds consumption and is distributed back to SCL during the billing period, then the Customer: (i) shall be billed for the same customer service charge(s) as are applied to 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 Customer's bill for the following billing period; (ii) agrees that in each new calendar year any and all of the kW-hr electric energy credit(s) remaining on its account from the previous calendar year at the time of the Customer' first scheduled meter reading of the new calendar year shall be set to zero.

3. INTERRUPTION OR REDUCTION OF DELIVERIES

- 3.1. SCL may require Customer to interrupt or reduce deliveries as follows: (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or (b) if SCL determines that curtailment, interruption, or reduction is necessary because of emergencies, or compliance with good electrical practices as determined by SCL.
- 3.2. To the extent reasonably practicable, SCL shall give Customer notice of possible interruption or reduction of deliveries.
- 3.3. Notwithstanding any other provision of this Agreement, if at any time SCL determines that either (a) the facility may endanger SCL personnel, or (b) the continued operation of Customer's facility may endanger the integrity of SCL's electric system, SCL shall have the right to disconnect Customer's facility from SCL's electric system. Customer's facility shall remain disconnected until such time as SCL is satisfied that the condition(s) that caused the problems referenced in (a) or (b) of this section 3.3 have been corrected.

4. INTERCONNECTION

- 4.1. Customer shall comply with SCL's Interconnection Standards set forth in Appendix B and the Net Metering Application & Compliance Form set forth in Appendix A, which are attached and shall pay for designing, installing, inspecting, operating, and maintaining the electric generating system in accordance with all applicable laws and regulations.
- 4.2. Customer shall deliver the excess energy to SCL at the customer's premises. SCL will install and maintain a revenue meter capable of registering the bi-directional flow of electricity at the customer's premises at a level of accuracy that meets all applicable standards, regulations and statutes.
- 4.3. Customer shall pay for any non-standard meter electrical hook-up. The customer shall pay SCL an interconnection fee to compensate SCL for estimated cost to install a net metering system.
- 4.4. Customer shall not commence parallel operation of the generating system until written approval of the interconnection has been given by SCL. Such approval shall not be unreasonably withheld. SCL shall have the right to have representatives present at the initial testing of Customer's protective apparatus, and the Customer shall notify SCL of its intent to test the generating system not less than two (2) working days prior to the scheduled test.
- 4.5. Once in operation, Customer shall make no changes or modifications in the equipment, wiring, or the mode of operation without the prior approval of SCL.

5. MAINTENANCE AND PERMITS

Customer shall (i) maintain the electric generating system and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, SCL's Interconnection Standards, Appendix B; (ii) obtain any governmental authorizations and permits required for the construction and operation of the electric generating system and interconnection facilities, including electrical permit; (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 and operation of Customer's generating system or failure to maintain Customer's facility as required in this Section.

6. ACCESS TO PREMISES

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 the SCL's meter or transformer, without notice, 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 electric generating facilities, or lack of properly operating protective devices or inability to inspect the same.

7. INDEMNITY AND LIABILITY

The Customer hereby indemnifies and agrees to hold harmless and release the City of Seattle 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 "Indemnitees") from and against any and all losses, claims, damages, costs, demands, fines, judgements, 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 the Customer's Generating System or any related equipment; (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 the generating facility output, single phasing, or any other abnormality related to the quantity or quality of the power produced by the generating facility; (iii) any failure of the Customer duly to 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 the Generating System or any associated equipment or wiring.

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 practicable 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, franchisees 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 Seattle City Light. The Department 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 Customer's obligations are transferred to the Department 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 the Exhibits attached hereto set forth the entire agreement of the Parties and supersede any and all prior agreements with respect to the subject matter of this 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 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 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 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, or (iv) by facsimile transmission, using facsimile equipment providing written confirmation of successfully completed transmission to the receiving facsimile number. 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.

Seattle City Light:

Distribution Branch
Attn: _____
700 Fifth Avenue, Suite 3300
Seattle, Washington 98104

Tel: (____) _____

Fax: (____) _____

Customer:

Name: _____

Address: _____

Tel: (____) _____

Fax: (____) _____

17. APPENDICES

The Agreement includes the following appendices attached and incorporated by reference:

Appendix A: Net Metering Application & Compliance Form

Appendix B: SCL's Interconnection Standards for Customer-Owned, Grid Connected Electric Generating Systems of 25 Kilowatts or Less

18. TERM OF AGREEMENT

This Agreement shall be and remain in effect until terminated by either Party on thirty (30) days' prior written notice. The Generating System or the Customer may be disconnected from SCL's electrical system at any time if it is considered unsafe or having adverse impact on the existing customers.

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives.

CUSTOMER

SEATTLE CITY LIGHT

Signature

Signature

Print name

Print name

Date

Date