

Public Utility District No. 1 of Klickitat County
1313 South Columbus
Goldendale, WA 98620

**Residential Net Energy Metering
Customer Generation Interconnection Agreement**
For:
Electric Generating Facilities
Of
25 Kilowatts Or Less

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1. CUSTOMER-ELECTRIC GENERATING FACILITY

- 1.1 The Customer-Generator has elected in accordance with RCW 80.60, to operate a solar, wind, fuel cell or hydro-electric generating facility, with a name-plate generating capacity of not more than twenty-five (25) kilowatts, in parallel with the Utilities transmission and distribution facilities. The Customer-Generator's electric generating facility is intended primarily to offset part or all of the Customer-Generator's own electrical requirement. Other emerging technologies as approved by the Utility and limited to 25 Kilowatts or less may be considered as generating facility for the Utility programs only.
- 1.2 The generating facility used by the Customer-Generator shall be located on the Customer-Generator's premises with an active account. It shall include all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code (Articles 690 and 705), the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.
- 1.3 A separate Agreement shall be entered into for each Customer-Generator electrical service location(s), where separate metering may be required.
- 1.4 An Interconnection Application for customer generation is hereby incorporated into this Agreement as Appendix A.

2. RATES ASSOCIATED WITH NET ENERGY

- 2.1 The Customer-Generator is subject to electric rate schedule No. 1a Residential Net Energy Metering and to future revisions to said rate.
- 2.2 Non-refundable application processing fees are:
1-25Kw--\$100.00
- 2.3 In the event the energy generated by the Customer-Generator's facility exceeds the energy consumed on the Customer-Generator's premise, the excess may be distributed to the Utilities grid and will be metered by the Utilities net metering meter. For existing Net Metering installations with mechanical meters, the excess causes the meter to run backward.
- 2.4 The Customer-Generator shall be subject to the payment terms specified in the Utilities Customer Service Policy No. 21 with the exception that the Customer-Generator shall not use the Utilities Budget Payment Plan.
- 2.5 If the electricity supplied by the Utility exceeds the electricity generated by the Customer-Generator and distributed back to the Utility during the billing period, the Customer-Generator shall be billed for the net electricity supplied by the Utility, in accordance with normal metering practices at the applicable tariff rate.

- 2.6 If the electricity generated by the Customer-Generator and distributed back to the Utility during the billing period exceeds the electricity supplied by the Utility, the Customer-Generator:
- (a) shall be billed for the minimum monthly fee that is the same as other customers of the Utility in the same rate class: and
 - (b) shall be credited for the net excess kilowatt-hours generated, with the credit appearing on the Customer-Generator's next bill where excess electric consumption exists where it would be used as an offset by the banked kilowatt hours.
 - (c) The Customer-Generator is subject to electric rate schedule No. 1a Residential Net Energy Metering and to future revisions to said rate or successor rate.
- 2.7 By April 30th of each year any remaining unused kilowatt-hour credit accumulated during the previous year shall be granted to the Utility, without any compensation to the Customer-Generator.
- 2.8 The Customer-Generator shall pay any amount owing for electric service provided by the Utility in accordance with applicable tariff schedules. Nothing in this section 2 shall limit the Utilities rights under applicable tariff schedules.

3. INTERRUPTION OR REDUCTION OF DELIVERIES

- 3.1 The Utility may require the Customer-Generator to interrupt or reduce deliveries: (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 it determines that curtailment, interruption or reduction is necessary because of emergencies, force or compliance with prudent electrical practices.
- 3.2 Whenever possible, the Utility shall give the Customer-Generator reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 3.3 Notwithstanding any other provision of this Agreement, if at any time the Utility determines that either (a) the Customer-Generator's facility may endanger the Utility personnel, or (b) the continued operation of the Customer-Generator's facility may endanger the integrity of the Utilities electric system, the Utility shall have the right to disconnect the Customer-Generator's facility from the Utilities electric system. The Customer-Generator's facility shall remain disconnected until such time as the Utility is satisfied that the condition(s) referenced in (a) of (b) of this section 3.3 have been corrected.

4. INTERCONNECTION

- 4.1 The Customer-Generator shall deliver the excess energy to the Utility at the Utilities meter.

- 4.2 The Customer-Generator shall pay for designing, installing, operating, and maintaining the electric generating facility in accordance with all applicable laws and regulations and shall comply with the Utilities Interconnection Standards, which is attached hereto.
- 4.3 The Customer-Generator in addition to the application fee will be responsible for additional cost; such costs may include, but are not limited to, transformers, utility testing, qualification, and studies. The Customer-Generator shall be responsible for any costs associated with necessary electric system upgrades to accommodate the Customer-Generators interconnected system, along with any future upgrade or modification to its interconnected system required by modifications in the electric system subject to Policy No. 16.
- 4.4 The Customer-Generator with customer-read meters are responsible for submitting the meter reads each month, estimated reads will not be allowed. Failure to comply may result in inaccurate billing where the Customer-Generator will be responsible for any financial consequences.
- 4.5 The Customer-Generator shall not commence parallel operation with the Utilities meter until the installation of a Utility owned bi-directional meter and written permission is delivered by the Utility. Failure to comply shall result in a termination of the Interconnection Agreement. For billing purposes no credit for customer generation will be given for generation produced prior to KPUD written approval. The Customer-Generator will be responsible for any financial consequences as a result of generation occurring prior to approval including generation that may be treated as consumption by KPUD metering.
- 4.6 The Utility continues to examine metering technologies for possible future implementation at which point existing installed metering would be replaced.

5. MAINTENANCE AND PERMITS

The Customer-Generator shall: (a) maintain the electric generating facility and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, the Utilities Interconnection Standards; and (b) obtain any governmental authorizations and permits required for the construction and operation of the electric generating facility and interconnection facilities, (c) notify the Utility of permit inspections for initial installation and all future changes. The Customer-Generator shall reimburse the Utility for any and all losses, damages, claims, penalties, or liability it incurs as a result of the Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of the Customer-Generator's generating facility or failure to maintain the Customer-Generator's facility as required in (a) of this Section 5.

6. ACCESS TO PREMISES

The Utility may enter the Customer-Generator's premises or property: (a) to inspect with prior notice at all reasonable hours the Customer-Generator's protective devices and read test meter; and (b) to disconnect at the Utilities meter or transformer, without notice, the interconnection

facilities if, in the Utilities opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or the Utilities facilities, or property of others from damage or interference caused by the Customer-Generator solar-electric facilities, or lack of properly operating protective devices or inability to inspect the same.

7. INDEMNITY AND LIABILITY

7.1 The Customer-Generator shall defend, hold harmless and indemnify, the Utility and the directors, officers, employees and agents for the Utility 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 attorney fees) for injury or death to persons (including employees of the Utility) and/or damage to property arising out of or in connection with (a) the engineering design, construction maintenance, repair, operation, supervision, inspection, testing, protection or ownership of, or (b) the making of replacements, additions, betterment's to, or reconstruction of, the Customer-Generator's facilities: provided, however, the Customer-Generator's duty to indemnify the Utility hereunder shall not extend to loss, liability, damage, claim, cost, charge, demand or expenses resulting from interruptions in electrical service to the Utilities customers other than the Customer-Generator. This indemnity shall apply notwithstanding the active or passive negligence of the Customer-Generator. However, the Utility shall not be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand or expense resulting from its sole negligence or willful misconduct. The liability of the Utility to the Customer-Generator shall be governed and limited to the Utilities general duties to its customers pursuant to its Policies and Procedures.

7.2 Notwithstanding the indemnity of Section 7.1, and except for a Party's willful misconduct or sole negligence, each Party shall be responsible for damage to its facilities resulting from electrical disturbances or faults.

7.3 The provisions of the Section 7 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any insurance policy.

8. FUTURE MODIFICATION, EXPANSION, CHANGE OF OWNERSHIP AND EXCEPTIONS

8.1 Any future modification or expansion of the Customer-Generator owned generating facility will require an engineering, safety and reliability review and approval by the Utility. The Utility reserves the right to deny the modification or expansion or to require the Customer-Generator, at the Customer-Generator expense, to provide modifications or additions to existing electrical devices including, but not limited to protection device and meters, in the event of changes to government or industry regulation and/or standards. Future modification or expansion will require and be subject to the terms and conditions of a new Agreement.

8.2 The terms of this Agreement shall apply during such time the Customer-Generator entering into this Agreement owns the subject property and maintains an active utility account for the subject property.

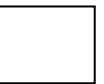
8.3 Upon such time the Customer-Generator entering into this Agreement no longer owns the subject property and maintains an active utility account for the subject property this Agreement shall no longer be valid and a new Agreement will be required with the new Customer-Generator and subject to the terms of the new Agreement.



9. GOVERNING LAW

9.1 This Agreement shall be interpreted, governed and constructed under the laws of the State of Washington as if executed and to be performed wholly within the State of Washington. Venue of any action arising hereunder or related to this Agreement shall lie in Klickitat County, Washington.

9.2 If a Customer-Generator elects to participate in the Washington State Renewable Energy Cost Recovery Incentive program for the production of certain forms of renewable energy resources or any successor to this program or any other agencies programs, the Customer-Generator agrees that this is not Klickitat PUD's developed program and that the Utility participates as a pass-through and participation is voluntary. The Customer-Generator must conform to the laws as they apply to said programs. i.e. Customer-Generator is required to install a revenue-grade system output meter referred to as a "production meter" in addition to the Utility provided meter.



10. AGREEMENT AMENDMENTS, 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 in writing.

11. APPENDICES

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

- Appendix A: Residential Net Energy Metering Interconnection Application
- Appendix B: Residential Net Energy Metering Customer Generation Certificate of Completion

Additional Reference Documents:

1. Policy Bulletin No. 25-Interconnection Standards for Residential Net Energy Metering.
2. Electric Rate Schedule No. 1a – Residential Net Energy Metering 25kw and less.
3. Policy Bulletin No. 16-Line Extensions
4. Policy Bulletin No. 21-Customer Service Policy- Electric
5. Policy Bulletin No. 43-Electrical Interconnection Requirements

12. NOTICES

All written notices shall be directed as follows:

**Public Utility District No. 1 of Klickitat County
Energy Services~Customer Generation
1313 South Columbus
Goldendale, WA 98620**

13. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer-Generator and the Utility and shall remain in effect thereafter month to month unless terminated by either Party on thirty (30) days prior written notice in accordance with Section 12.

14. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. Each of the undersigned declares that I (we) have read and will comply with the terms and conditions of Policy 25 and the Interconnection Standards.

This Agreement is effective as of the last date set forth below.

**(CUSTOMER-GENERATOR)
Legal Owner(s) of:**

**PUBLIC UTILITY DISTRICT NO. 1
OF KLICKITAT COUNTY
1313 S Columbus Ave
Goldendale, WA 98620**

Physical Address: _____

Signature

Signature

Print Name

Print Name

Signature

Title

Print Name

Date

Date

Engineering Compliance Check
Transformer size____, Meets Safety Standards Y N

Chief Engineer Date