

City of Azusa Light & Water Department

Interconnection and Net Metering Agreement
For Generating Facility 10kW DC or Less

This Interconnection and Metering Agreement for Solar or Wind Turbine Electric Facilities ("Agreement") is made and entered into by and between

_____ (“Customer”), whose mailing address is _____ and the City of Azusa, a municipal corporation acting by and through its Azusa Light & Water Department (“Azusa”), sometimes also referred to herein jointly as “Parties” or individually as “Party.”

1. APPLICABILITY

This Agreement is applicable only to customers who satisfy all requirements of the definition of an Eligible Customer-Generator as set forth in Section 2827(b)(2) of the California Public Utilities Code on the effective date of this Agreement. Customer represents that customer is an Eligible Customer-Generator.

2. DESCRIPTION OF CUSTOMER'S SOLAR OR WIND ELECTRIC GENERATING FACILITY

2.1 Customer elects to interconnect and operate a generating facility capable of generating electricity from solar or wind turbine electric generating facility, or hybrid system of both, located on Customer’s owned, leased or rented premises within Azusa Light & Water’s service area (“Generating Facility”) in parallel with Azusa Light & Water’s electric grid. Customer represents that the Generating Facility is intended primarily to offset part or all of the Customer's own electrical requirements.

2.2 Generating Facility Identification Number (If known): _____

2.3 Customer Meter Number: _____

2.4 Customer Service Account Number: _____

2.5 Otherwise Applicable Rate Schedule: _____

2.6 Generating Facility Location: _____

2.7 Generating Facility Technology (Solar or Wind): _____

2.8 Generating Facility Nameplate Rating (kW DC): _____

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

2.10 Estimated date when Generating Facility will be ready to commence parallel operation
with Azusa Light & Water’s electric system: _____

2.11 Battery Name Plate Rating (kW DC), if applicable: _____

3. INTERCONNECTION, DESIGN AND CUSTOMER REQUIREMENTS

- 3.1 Customer shall deliver the available energy to Azusa Light & Water at the Required Meter (as defined in Subsection 4.1 below) located on the Customer's premises.
- 3.2 Customer shall be responsible for the design, installation, operation, and maintenance of the Generating Facility and shall obtain and maintain any required governmental authorizations and permits.
- 3.3 Customer shall conform to all applicable solar or wind electrical generating system safety and performance standards established by the National Electrical Code (“NEC”), the Institute of Electrical and Electronics Engineers (“IEEE”), and accredited, nationally recognized testing laboratories such as Underwriters Laboratories, applicable building codes, and to all applicable Azusa Light & Water’s Electric Service Requirements (Regulation 21), as may be amended from time to time.
- 3.4 Customer shall not commence parallel operation of the Generating Facility until Customer receives written approval from Azusa Light & Water’s Authorized Representative. Azusa’s Authorized Representative shall consider such written approval upon Azusa Light & Water's receipt of a copy of the final inspection or approval of the Generating Facility that has been issued by the governmental authority having jurisdiction to inspect and approve the installation. Such approval shall not be unreasonably withheld.
- 3.5 Azusa Light & Water 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. Customer shall notify Azusa Light & Water in accordance with the terms of Section 12, herein, at least five days prior to such inspection.
- 3.6 Customer shall not add generation capacity in excess of the Nameplate Rating set forth in Section 2.8 of this Agreement, or otherwise modify the Generating Facility without the prior written permission of Azusa Light & Water.
- 3.7 Customer shall install a visible disconnect switch for the Generating Facility. The disconnect switch shall be lockable in the open position and directly accessible to Azusa Light & Water employees at all times. Disconnect shall be installed in close proximity to, or no more than eight (8’) feet from the utility’s electric meter.
- 3.8 The Customer’s inverter shall have the following minimum specifications for parallel operation with Azusa Light & Water:
 - (a) Inverter output shall automatically disconnect from Azusa Light & Water source upon loss of Azusa Light & Water voltage and not reconnect until Azusa Light & Water voltage has been restored by Azusa. [CEC 690-61].
 - (b) Inverter shall meet the applicable requirements of IEEE 929, “Recommended Practice for Utility Interface of Photovoltaic (PV) Systems,” IEEE 519, “Recommended Practices and Requirements for Harmonic Control in Electrical
- 3.9 If Energy Storage is incorporated into the Generating Facility the Customer will be required to comply with the following minimum specifications and requirements for operation:

- (a) Energy Storage device shall not export power to Azusa Light & Water, either directly or via full/partial displacement of behind the meter renewable generation.
- (b) Energy Storage device shall be capable of automatically disconnecting from the Azusa Light & Water source upon loss of Azusa Light & Water voltage and the Energy Storage device shall not reconnect until Azusa Light & Water voltage has been restored by Azusa Light & Water [CEC 690-61].

3.10 Any Customer who super imposes a current of any frequency upon any part of their electrical system, other than the current supplied by Azusa Light & Water shall, at their expense, prevent the transmission of such current beyond their electrical system.

4. METER REQUIREMENTS

4.1 In accordance with Azusa Light & Water's Rules and Regulations for Electrical Service, Azusa Light & Water shall own, operate and maintain on Customer's premises a single meter capable of registering the flow of electricity in two directions ("Required Meter"). In addition, the meter shall be capable of recording time-of-use information for all customers except those currently in the Residential rate where a time-of-use meter is optional in Azusa Light & Water's sole discretion. Azusa Light & Water may waive metering requirements of this Section; provided such waiver shall be applied in a nondiscriminatory manner.

4.2 If the existing electrical meter of Customer is not capable of measuring the flow of electricity in two directions (or supplying time-of-use information for commercial customers), Customer shall be responsible for all expenses involved in Azusa Light & Water's purchase and installation of such, Required Meter. Azusa Light & Water may waive metering expenses of this Section; provided such a waiver shall be applied in a nondiscriminatory manner.

4.3 An additional meter or meters to monitor the flow of electricity in each direction may be installed with the consent of Customer, at the expense of Azusa Light & Water, and the additional metering shall be used only to provide the information necessary to accurately bill or credit Customer pursuant to Section 9 below, or to collect generating system performance information for research purposes.

4.4 If an additional meter or meters are installed, the Net Energy Metering (as defined in Subsection 9.1 below) calculation shall yield a result identical to that of a single meter.

4.5 The customer must provide a meter socket at a location and of a type specified by the utility so the utility can install a meter to measure actual renewable energy production.

5. DISCONNECTION, INTERRUPTION OR REDUCTION OF DELIVERIES

5.1 Azusa Light & Water shall not be obligated to accept or pay for, and may require Customer to curtail, interrupt or reduce, deliveries of available energy from its Generating Facility:

- (a) Whenever Azusa Light & Water 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 Azusa Light & Water determines in its sole judgment, that curtailment, interruption, or reduction of Customer's electrical generation is otherwise necessary due to emergencies, forced outages, force majeure, or compliance with prudent electrical practices.
- 5.2 Whenever reasonably possible, Azusa Light & Water shall give Customer reasonable notice of the possibility that curtailment, interruption or reduction of such deliveries may be required.
- 5.3 Notwithstanding any other provision of this Agreement, if at any time Azusa Light & Water determines that either (a) the Generating Facility or its operation may endanger the health, safety or welfare of Azusa Light & Water personnel, any person or the public, or (b) the continued operation of the Generating Facility may endanger the integrity of Azusa Light & Water's electric system, any property or the environment, Azusa Light & Water shall have the right to enter onto Customer's premises and disconnect Customer's Generating Facility from Azusa Light & Water's system. Customer's Generating Facility shall remain disconnected until such time as Azusa Light & Water is satisfied that the condition(s) referenced in (a) and (b) of this Subsection 5.3 have been corrected.
- 5.4 Azusa Light & Water may refuse or discontinue service to a Customer if any part of the Customer's wiring or other electrical equipment or the use thereof shall be determined by Azusa Light & Water to be unsafe or in violation of applicable laws, ordinances, rules or regulations, or if any condition existing upon the Customer's premises shall be determined, in the discretion of Azusa Light & Water, to endanger service facilities of Azusa Light & Water. Service shall not be restored unless or until the Customer's wiring or equipment is placed in a safe condition or the violation is otherwise remedied, as determined in the discretion of Azusa Light & Water.
- 5.5 Azusa Light & Water will not provide service to Customer equipment which is deemed by Azusa Light & Water to be operated in a manner which will be detrimental to the service of Azusa Light & Water or its other customers. In that case, Azusa Light & Water may discontinue electric service to the Customer if the Customer fails to discontinue such operation after having been given notice by Azusa Light & Water to cease such operation.

6. ACCESS TO PREMISES

Azusa Light & Water may enter Customer's premises at all reasonable hours without notice to Customer for the following purposes:

- (a) To inspect Customer's protective devices and read or test meter(s); and
- (b) To disconnect the Generating Facility and/or service to Customer, whenever in Azusa Light & Water's sole opinion, a hazardous condition exists and such immediate action is necessary to protect persons, Azusa Light & Water's facilities, or property of others from damage or interference caused by the Generating Facility, or the absence or failure of properly operating protective devices.

7. PERMITS AND MAINTENANCE

Customer shall, at its sole cost and expense, (a) maintain the 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 Section 3, and (b) obtain any governmental authorizations and permits required for the construction and operation of the Generating Facility and interconnection facilities and performance of this Agreement. Customer shall reimburse Azusa Light & Water 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 Facility and performance of this Agreement.

8. INDEMNITY AND LIABILITY

8.1 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.

8.2 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.

8.3 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.

8.4 Except as otherwise provided in Section 8.1, neither Party shall be liable to the other Party for consequential damages incurred by that Party.

8.5 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.

8.6 Notwithstanding the provisions of Section 8.1, Customer 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 Azusa Light & Water's facilities and Azusa Light & Water shall not be liable for any such damage so caused.

9. RATES AND BILLING

9.1 All rates charged will be in accordance with Customer's otherwise applicable tariff (Rate Schedule), as in effect from time to time, on a Net Energy Metering basis. "Net Energy

Metering” means measuring the difference between the electricity supplied through the electric grid to the Customer and the electricity generated by Customer’s Generating Facility and fed back to the electric grid over the one-month billing period as described in Subsection 9.4 below.

- 9.2 Customer’s otherwise applicable tariff (Rate Schedule) or “Rate Schedule” means the Rate Schedule in Azusa Light & Water’s published Electric Rate Schedules that would otherwise apply to Customer from time to time in the absence of this Agreement.
- 9.3 Customer is responsible for paying all charges in its Rate Schedule including the minimum charge (such as Distribution and Customer Charge) and demand charge, when applicable, regardless of Customer’s monthly or annual net generation.
- 9.4 The customer will be billed on a monthly basis, regardless of the customers previous billing cycle. The monthly Net Energy Metering calculation shall be made by measuring the difference between the electricity supplied to the Customer and the electricity generated by the Customer and fed back to the grid over a normal one-month billing period. At the end of each one-month billing period following the date of first interconnection, Azusa Light & Water shall determine if Customer was a net consumer or a net producer of electricity during the one-month time period. In the event the electricity supplied by Azusa Light & Water during the one-month period exceeds the electricity generated by Customer during the same period, Customer is a net energy consumer.
- 9.5 Billing and Credits for Net Energy Generation
 - (a) Customer shall be billed for electrical service and credited for net energy generation, if any, as provided in Azusa Light & Water’s policies and procedures.
 - (b) Customer may elect to receive payment from Azusa Light & Water for net generation under the terms and conditions set in Azusa Light & Water’s policies and procedures.
 - (c) Customer may elect to be billed and to make payments to Azusa Light & Water for Net Energy Metering and any kWh credit will be rolled over from one year to the next based on the month the system was put into service.
- 9.6 Intentionally left blank (TOU Customers)
- 9.7 Intentionally left blank (G1/G2 Baseline Over Baseline Customers)
- 9.8 Azusa Light & Water shall provide Customer with Net Energy Metering consumption information on a monthly basis.
- 9.9 If Customer terminates service under this Agreement prior to the end of any twelve month period, Azusa Light & Water shall reconcile Customer’s consumption and production of electricity and bill Customer for Net Energy Metering charges, if any, and adjust the excess energy to zero, if any.
- 9.10 If Customer is a net energy consumer during the applicable billing period, the UUT/General Fund Transfer that is applicable to Customer under Customer’s Rate Schedule shall be calculated based upon the Customer’s Gross Energy Consumption, and

monthly demand, if applicable, for such billing period. Gross Energy Consumption is defined as the sum of the net energy provided by Azusa Light & Water and the total production at the Generating Facility within the billing period.

- 9.11 All customers will be assessed the appropriate monthly Public Benefit Charge as stated under the terms and conditions set forth in Azusa Light & Water's policies and procedures.

10. GOVERNING LAW, VENUE

This Agreement shall be interpreted under, governed by, and construed in accordance with the laws of the State of California as if executed and to be performed wholly within the State of California, without regard to conflicts of law rules thereof. Any action at law or equity brought by either Party for the purpose of enforcing a right or rights provided in this Agreement shall be brought only in a court of proper jurisdiction in the County of Los Angeles, State of California, and the Parties hereby waive all other provisions of law providing for a change of venue in such proceedings to any other county. In event of a conflict between this contract and applicable provisions of state law, the later shall apply.

11. MODIFICATIONS, WAIVER, INTERPRETATION

- 11.1 No amendment or modification to this Agreement shall be effective unless in a writing duly executed 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 a waiver of the breach of any other term or covenant unless such waiver is in writing.
- 11.2 This Agreement shall supersede any existing agreement with Azusa Light & Water under which Customer is currently operating the Generating Facility identified in Section 2, herein, and any such agreement shall be deemed terminated as of the effective date of this Agreement.
- 11.3 This Agreement constitutes the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the Parties. Neither Party has been induced to enter into this Agreement by, and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.
- 11.4 Except as expressly modified herein, Azusa Light & Water's Rules and Regulations for Electrical Service as adopted from time to time by Azusa Light & Water shall continue to be applicable to Azusa Light & Water's provision of electrical service to Customer and performance of this Agreement.

12. NOTICES

- 12.1 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:

Azusa Light & Water:

Azusa Light & Water Department
Attn: Key Accounts Manager
729 N. Azusa Ave.
Azusa, CA 91702

Customer:

To the mailing address listed on page 1 of this Agreement.

- 12.2 Customer's notices to Azusa Light & Water pursuant to this Section shall refer to the Generating Facility Identification Number that is set forth in Section 2.2.
- 12.3 In the event of an emergency, Customer shall immediately notify Azusa Light & Water at its 24-hour emergencies number, 626-812-5225, of any emergency situation related to the Generating Facility.
13. TERM AND TERMINATION OF AGREEMENT
- 13.1 This Agreement shall become effective on the date this Agreement is duly executed by both Parties as set forth in Section 16 below, and shall continue in full force and effect until terminated as provided herein.
- 13.2 This Agreement shall terminate on the earliest to occur of:
- 13.2.1 The thirtieth day after Customer gives Azusa Light & Water prior written notice of termination with or without cause in accordance with Section 12;
- 13.2.2 The date both Parties agree in writing to terminate this Agreement;
- 13.2.3 The first day after Azusa Light & Water gives Customer written notice of termination for cause, provided that Azusa Light & Water shall first have given Customer written notice of Customer's breach of this Agreement and within thirty days of Azusa Light & Water's sending notice of such breach, Customer fails to cure such breach or, if such breach requires more than thirty days to cure, Customer fails to promptly commence cure of such breach and diligently prosecute such cure to completion;
- 13.2.4 The date Azusa Light & Water is no longer the electric supplier to Customer's premises;
or
- 13.2.5 The date changes to Customer's electric load, or other circumstances, cause Customer to no longer satisfy all requirements of the definition of an Eligible Customer-Generator, as set forth in Section 2827(b)(2) of the California Public Utilities Code on the effective date of this Agreement.
- 13.3 Early termination of this agreement may result in the Customer being required to reimburse Azusa Light & Water for all or part of the incentive received.
- 13.4 After termination of this Agreement, any electric service provided by Azusa Light & Water to Customer shall be pursuant to and in accordance with Customer's Rate Schedule.

14. AUTHORIZED REPRESENTATIVE

Azusa Light & Water's Authorized Representative is the Director of the Light & Water Department, or his designee. Azusa Light & Water may change its Authorized Representative by giving Customer notice pursuant to Section 12.

15. ASSIGNMENT PROHIBITED

Customer understands and agrees that this Agreement is personal to Customer and that Customer shall not assign or transfer in any way all or any portion of this Agreement to any other person or entity of any kind. Any attempt by Customer to assign or transfer in any way all or any portion of this Agreement shall be void ab initio.

16. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused **three originals** of this Agreement to be executed by their duly authorized representatives on the dates set forth below. This Agreement is effective as of the latter of the two dates set forth below.

Customer

By: _____

Name: _____

Title: _____

Date: _____

Azusa Light & Water

By: _____

Name: _____

Title: Director of Utilities

Date: _____

SUBMITTALS REQUIRED:

1. Building Permit
2. Electric Single Line Diagram
3. Electric Load Schedule
4. Site Plan
5. Solar or Wind Generating System Electric Specifications
6. Solar or Wind Electrical Generating System Certification
7. Battery/Energy Storage System Specifications
8. Solar Consumer Protection Guide (SCPG) acknowledgement pages initialed by Customer (SCPG pages 1-4) and signed by Customer and Solar Provider (SCPG page 23)
9. Solar Process Flow Chart for Residential Solar Systems 10 kW DC or Less signed by Solar Provider (SCPG page 24)