

**Interconnection Agreement for
Renewable Energy Net Metering
San Isabel Electric Association, Inc.
And
(Member)**

This Interconnection Agreement (Agreement) for Renewable Energy Net Metering is entered into on, _____ (Effective Date) by and between (Member), _____ (address), and San Isabel Electric Association, Inc. (San Isabel).

RECITALS

- A. Renewable Energy Net Metering Service is available to San Isabel's Members that are supplied electric service by San Isabel under the terms and conditions set forth in this Agreement and that own, operate and maintain an eligible Renewable Energy System in parallel with San Isabel's electric system.
- B. The Member owns an eligible Renewable Energy System and will install and maintain it in compliance with all applicable National Electric Code requirements, building codes, and San Isabel's procedures and Line Extension Service Policies.
- C. The Member desires to connect the eligible Renewable Energy System to the San Isabel electric system.
- D. San Isabel has mechanisms in place to accommodate the Member's request.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained within this Agreement, the parties agree as follows:

AGREEMENT

1. SYSTEM DEFINED

The Member's eligible Renewable Energy System is a self-contained electric generation system. The Member System begins and continues up-stream from the over-current protective device on the Member's premises. However, the net meter, disconnect switch and meter socket, and San Isabel's line side disconnect does not form part of the Member System and at all times remains the property of San Isabel; other related electrical connects are part of the Member System and are the responsibility of the Member.

2. TERM AND TERMINATION

2.1 The term of this Agreement begins on the Effective Date, January 1, _____ regardless of the date that the Member is authorized to interconnect the System pursuant to Section 5 below and continues for five (5) consecutive 12-month periods, and then may be renewed for additional 12-month periods.

2.2 The Member may terminate this Agreement at any time by providing 30 days written notice of termination to San Isabel. In the event of a sale of the Member's premises, this Agreement will transfer upon that sale to the new owner until end of the term of this Agreement.

2.3 San Isabel may terminate this Agreement at any time for any violation of this Agreement by providing written notice to the Member. As provided in Section 3 below, this Agreement is at all times subject to lawfully made changes in San Isabel policies and other related regulatory authorizations, if applicable.

2.4 At the time of termination of this Agreement for any reason, San Isabel will perform lock out procedures to disconnect the Member's System from San Isabel's electric system.

3. TARIFF AND REGULATORY AUTHORITIES

3.1 Renewable Energy Net Metering Service (Service) is available only to San Isabel Members that are supplied electric service by San Isabel and under the terms and conditions of Tariff Sheet #23.9, "Buy Back Rate for Net Metering" attached hereto as Exhibit D.

3.2 This Agreement is subject to all present and future applicable laws, rules, regulations, certificates, decisions, orders and directives of all federal, state and local authorities having jurisdiction over the subject matter of this Agreement.

4. INSTALLATION AND PERMITTING

4.1 The Member and the System must comply with: 1) all applicable National Electric Code (NEC) requirements, including, but not limited to NEC Articles 690 and 705; 2) all building codes; and 3) all applicable Underwriters Laboratories (UL) requirements and standards. At its sole expense, the Member must: 1) obtain all necessary electrical permit(s) for the installation of the System, and 2) obtain and maintain any governmental authorizations or permits required for the operation of the System. The Member must reimburse San Isabel for any and all losses, damages, claims, penalties, or liability San Isabel incurs as a result of the Member's failure to obtain or to maintain any governmental authorizations and permits required for construction and operation of the Member's System.

4.2 The Member or its contractor must construct the System as specified in the attached Exhibit A, "Description of System."

4.3 A manual, lockable, load-break disconnect switch that provides a clear indication of the switch position must be available with the System at or near the Member's main point of service from San Isabel's electric system to provide a point of electrical separation between the Member's System and San Isabel's electric system. The disconnect switch must be mounted separately within ten (10) feet of the metering equipment, readily accessible to San Isabel's personnel at all times, labeled "AC Disconnect" or similar, and capable of being locked in the open position with San Isabel's lock. San Isabel may open the disconnect switch thereby isolating the Member's System from the San Isabel's electric system for any reason that San Isabel deems necessary including, but not limited to, maintenance or emergency work, the System adversely affecting other Members of San Isabel, failure of the System to comply with codes/regulations, the System creating hazardous or unsafe conditions, the Member's failure to pay utility bills when due, failure to comply with UL Standards.

4.4 The System must comply with all Institute of Electrical and Electronics Engineers (IEEE) Standards as of the Effective Date, for parallel operation with San Isabel. The purpose of these IEEE Standards is to minimize custom engineering of many aspects of the interconnection. These standards allow installation in a manner that will allow the System to perform as expected and to be installed at a reasonable cost while not compromising safety or operational issues. All power quality parameters (that is, voltage, flicker, frequency, distortion) are specified at the point of common coupling (PCC) unless otherwise stated. Failure to meet any of the parameters will make installation subject to disconnection. In particular, the following requirements must be met:

4.4.1 Voltage - the System must be capable of operating within normal voltage operating limits of 211-264 Volts (88-110% nominal 240V). This range results in trip points at 210V and 265V. Response to abnormal voltages should be as follows:

| <u>Voltage (at PCC)</u> | <u>Maximum trip time</u> |
|-------------------------|--------------------------|
| V<50% | 6-cycles |
| 50%<V<88% | 120-cycles |
| 88%<V<110% | normal operation |
| 110%<V<137% | 120-cycles |
| 137%<V | 2-cycles |

4.4.2 Flicker - Any voltage flicker resulting from the connection of the inverter to San Isabel's electric system at the point of common coupling (PCC) cannot exceed the limits defined by the maximum borderline of irritation curve identified in IEEE Std. 519-1992.

4.4.3 Frequency - the System must have a fixed frequency range of 59.3-60.5 Hz.

4.4.4 Waveform Distortion - the System must have low current-distortion levels to ensure that no adverse effects are caused to other equipment connected to San Isabel's electric system. The System electrical output at the point of common coupling (PCC) must comply with Clause 10 of IEEE Std. 519-1992. The key requirement is that total harmonic distortion must be less than 5% of the fundamental frequency current at rated inverter output. Each individual harmonic is limited to the percentages listed in IEEE Std. 519-1992.

4.4.5. Power Factor - The System must operate at a power factor of 0.85 to 1.15 when output is greater than 10%.

4.4.6 Islanding Protection - The system must cease to energize the utility line when the inverter is subjected to islanding conditions. The Member's System must immediately, completely and automatically disconnect from San Isabel's electric system in the event of a fault on the Member's System, a fault on San Isabel's electric system or loss of source on San Isabel's electric system. San Isabel at its own discretion and expense, may conduct periodic testing of anti-islanding. Failure to meet this requirement will make the System subject to disconnection by San Isabel.

4.5 The Member's over-current protective device (Breaker) at the service panel must be dedicated and must be capable of interrupting the maximum available fault current. The Breaker shall be clearly marked to indicate power source and connection to San Isabel's electric system.

4.6 The Member, at its own expense, must pay for any additional equipment required to connect the System to San Isabel's electric system, if required.

5. WRITTEN AUTHORIZATION REQUIRED TO CONNECT SYSTEM

5.1 **The Member may not connect the System to San Isabel's electric system until:** 1) this Agreement has been executed by the parties, 2) the System has been tested, and 3) written authorization to connect the System, in a form substantially similar to the attached Exhibit B, "Authorization," has been given to the Member by San Isabel. San Isabel may have representatives present at the initial testing of the Member's System and may perform whatever testing of the Member's System that San Isabel deems necessary. The System will not be connected until all necessary permits are obtained.

5.2 After written authorization to connect the System to San Isabel's electric system has been given, the Member shall make no changes or modifications in the System or of its mode of operation without the prior written approval of San Isabel.

6. LOCATION OF SYSTEM

The System will be installed at the Member's premises located at _____ in the physical location specified or depicted in the attached Exhibit A. The Member cannot relocate the System to another premises or physical location without the prior written approval of San Isabel. In the event that such approval is given, any relocation and installation of the System will be at the Member's sole expense.

7. NET METERING AND BILLING

The term "Net Metering" as used within this Agreement has the same definition as contained within Colorado House Bill 02-1415 dated June 3, 2002 and Colorado House Bill 08-1160 dated August 6, 2008).

8. RENEWABLE ENERGY CREDITS

The Member expressly understands and agrees that all Environmental Attributes, including but not limited to, air quality credits, "Green tags," and renewable energy credits, that are created by the installation, existence and operation of the System shall belong to San Isabel. San Isabel may report or register ownership of the Environmental Attributes with any entity and may utilize those Environmental Attributes (or transfer them) in any manner.

9. ACCESS TO PREMISES

The Member will allow access to its premises and to the System by San Isabel's personnel: (1) to inspect the Member's System, (2) to read and to replace meters; (3) to open the load-break disconnect switch, and (4) to disconnect the interconnection facilities at San Isabel's meter or transformer.

10. MAINTENANCE OF EQUIPMENT

At its sole expense, the Member will maintain the System, including but not limited to, all over-current protective equipment, in a safe and prudent manner and in conformance with all applicable laws, codes and regulations, including, but not limited to, the requirements of Section 4 above. The Member must maintain all records for such maintenance. These records must be available to San Isabel for inspection at all reasonable times.

11. SAFETY

The Member agrees to install, to operate and to maintain the System in a safe and prudent manner and in conformance with all applicable laws, codes and regulations including, but not limited to, those contained within Section 4 above.

12. ASSIGNMENT

This Agreement may not be assigned by the Member without the prior written consent of San Isabel, which may be withheld at its sole discretion. As provided in Section 2 above, in the event of a sale of the Member's premises, this Agreement will transfer to the benefit of new owner until the end of the term of this Agreement.

13. INDEMNITY AND LIABILITY

13.1 Whenever any liabilities are incurred by either or both of the parties for damages caused by injuries to either party (or their employees or agents) or the property of either party, or caused by injuries to other persons on the two parties' property arising out of the subject matter of this Agreement, then the liabilities for such damages between the parties will be as follows:

13.1.1 Each party will be liable for all damages because of injuries to persons or property caused solely by its negligence or solely by its failure to comply with this Agreement.

13.1.2 Each party will be liable for all damages to its own property that are caused by the concurrent negligence of both parties, or that are due to causes that cannot be traced to the sole negligence of the other party, to the extent of its negligence therefore.

13.1.3 Each party will be liable for all damages because of injuries to its itself or its own employees or agents that are caused by the concurrent negligence of both parties, or that are due to causes that cannot be traced to the sole negligence of either party; provided that in no event will a party be liable for damages because of injuries to itself or its own employees and agents in any amount in excess of applicable Workmen's Compensation insurance; and provided further that this Agreement will in no way impair the right of the injured party or its employee or agent to the extent that third party negligence proximately caused injuries or damages to party or its employee or agent.

13.1.4 In the event of claims brought to recover damages because of injuries to person not employees of either party and because of injuries to property not belonging to either party that are alleged to be caused by the concurrent negligence or both parties or are alleged to be due to causes that cannot be traced to the sole negligence of either party, the parties agree to apportion said liabilities according to the principles of the Colorado Uniform Contribution Among Joint Tortfeasors Act, C.R.S. § 13-50.5-101, *et seq.*, and further agree that in the event of such concurrent or joint negligence that no right of indemnification will exist, so that in all such claims, the issues of liabilities will be determined as a matter of contribution and not as a matter of indemnity.

13.2 No provision of this Agreement shall be deemed or construed to be a relinquishment or waiver of any kind of the applicable limitations of liability provided San Isabel, its management, board or employees.

13.3 Neither party will have any liability whatsoever for any special, indirect, consequential or punitive damages.

14. FORCE MAJEURE

Neither party will be liable for delays in performing its obligations to the extent that the delay is caused by an unforeseeable condition beyond its reasonable control without fault or negligence, including but not limited to, strikes, riots, wars, floods, fires, explosions, acts of nature, acts of government, labor disturbances, or terrorist activities.

15. INSURANCE

The Member shall provide insurance coverage in accordance with the San Isabel contractors' requirements as shown in Exhibit C, "Insurance Requirements."

16. SEVERABILITY

If any provision of this Agreement is found to be illegal or unenforceable, then the remaining provisions of this Agreement will remain in full force and effect, and such term or provision will be deemed stricken for as long as it remains illegal or unenforceable.

17. SURVIVAL

The provisions of this Agreement with respect to indemnification and liability will survive the termination of this Agreement

18. NOTICES AND OTHER COMMUNICATIONS

Except as otherwise expressly provided in this Agreement or as may be specified by the parties in writing, any notice or other communication required under this Agreement must be in writing and must be sent by registered or certified United States mail, or by messenger, or by facsimile, or by other electronic means. Any such notice or other communication must be addressed as follow and, if so addressed, will be effective upon actual receipt.

If to Member:

Name: _____
Title: _____
Address: _____
Phone: _____ Fax: _____
Email: _____

If to San Isabel:

Name: _____
Title: _____
Address: _____
Phone: _____ Fax: _____
Email: _____

19. ENTIRE AGREEMENT

This Agreement, together with its attachments, constitutes the entire agreement between the parties and supersedes all previous written or oral communications, understandings, and agreements between the parties unless specifically stated otherwise within this Agreement. This Agreement may only be amended by a written agreement signed by both parties. Email and all other electronic (including voice) communications from San Isabel in connection with this Agreement are for informational purposes only. No such communication is intended by San Isabel to constitute either an electronic record or an electronic signature or to constitute any agreement by San Isabel to conduct a transaction by electronic means. Any such intention or agreement is expressly disclaimed.

20. ACKNOWLEDGMENTS REGARDING AGREEMENT

By signing below, the Member acknowledges that it understands the terms of this Agreement and that the Member may not connect the System to San Isabel’s electric system until the Member has received written authorization to connect from San Isabel. Within 60 days after notice from the Member that the System is ready for interconnection to San Isabel’s electric system. San Isabel will inspect the System and will provide a written authorization to connect the System or a statement that the System may not be interconnected because of non-compliance with this Agreement.

THE DULY AUTHORIZED REPRESENTATIVES of the parties have signed three originals of this Agreement.

Member

Signature: _____

Printed Name: _____

Address: _____

Account No.: _____

Date: _____

San Isabel

Authorized
Signature: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit A

DESCRIPTION OF SYSTEM, AS TAKEN FROM THE APPLICATION

Exhibit B

Section A: Authorization. The Member's System may be connected to San Isabel's electric system.

The System has been inspected and tested and the Member is authorized to connect the System to the San Isabel's electric system.

Signed by:

Printed Name

Printed Title

Date

-OR-

Section B: Non-Authorization. The Member's System may not be connected to San Isabel's electric system.

The Member's System does not comply with the Interconnection Agreement for Renewable Energy Net Metering between San Isabel and _____, dated _____ . Accordingly, the Member **may not connect** the System to the San Isabel's electric system.

Signed by:

Printed Name

Printed Title

Date

Exhibit C

INSURANCE REQUIREMENTS

Certificates of Insurance are required with minimum limits as follows:

General Liability

| | |
|-----------------|-----------------------|
| Bodily Injury | \$500,000/\$1,000,000 |
| Property Damage | \$500,000 |

These insurance requirements may be met by providing to San Isabel evidence of a \$1,000,000 or greater umbrella policy covering this installation.

Proof of Insurance on Workers Compensation If the Member is the sole operation/owner of the Member's System, Member must furnish a written statement to that effect.