

AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

This Interconnection Agreement ("Agreement") is made and entered into this the					
day of	, 20	, by the City of College Station ("CITY" or "COCS"), a Texas			
Home-Rule Municipality, and		("Customer"), each hereinafter sometimes			
referred to individually as "Part	y" or both ref	erred to collectively as the "Parties". In consideration of the			
mutual covenants set forth herein, the Parties agree as follows:					

- **1. Scope of Agreement.** This Agreement is non-transferable and is applicable to conditions under which the COCS and the Customer agree that one or more facility or facilities of twenty (20) kW or less to be interconnected at 15 kV or less ("Facility" or "Facilities") may be interconnected to the COCS utility system ("Electric Utility System), as described in Exhibit A.
- 2. Establishment of Point(s) of Interconnection. COCS and Customer agree to interconnect their Facility or Facilities and the Electric Utility System at the locations specified in this Agreement, in accordance with the provisions of the City of College Station, Texas Code of Ordinances and any applicable Public Utility Commission of Texas Substantive Rules (including 25.211 relating to Interconnection of Distributed Generation and 25.212 relating to Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation, hereafter the "PUC Rules") or any applicable successor rule addressing distributed generation, and also as described in the attached Exhibit A ("Facility Schedule").

3. Responsibilities of COCS and Customer.

- a. Customer will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for their Facility or Facilities which it now or hereafter may own unless otherwise specified on Exhibit A. COCS will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for the Electric Utility System. Customer shall conduct operations of its Facility(s) in compliance with and in adherence to all aspects of this Agreement, the Interconnection Technical Requirements for Facilities under 20kW, and the Electric Rate Schedule SRE for Small Renewable Energy Customers Connecting Single Phase Distributed Generation From Renewable Sources less than or equal to 20kW, Chapter 11 COCS Code of Ordinances as amended which is incorporated herein by reference. COCS shall conduct operations on its Electric Utility System in compliance with all aspects of same, or as further described and mutually agreed to in the applicable Facility Schedule. Maintenance of Facilities or interconnection facilities shall be performed in accordance with the applicable manufacturers recommended maintenance schedule. Customer agrees to construct its Facilities in accordance with specifications provided by the National Electrical Safety Code (NEC), approved by the American National Standards Institute (ANSI), in effect at the time of construction.
- b. The Customer covenants, agrees and represents to COCS that the Customer's Facility shall be designed, installed, connected, operated, and maintained in accordance with the applicable ANSI standards now in force; the applicable UL standards that are now in force; the applicable IEEE standards (particularly IEE 929-2000 and IEEE 1547-20030 that are now in force; the applicable National Electrical Code (the "NEC") standards as amended by COCS Code of Ordinances Chapter 11 now in force; the applicable ERCOT Operating Guides now in force; as well as any other applicable local, state, or federal codes, statutes, and regulation, as amended.

- c. The Customer shall: (a) maintain the Facility in a safe and prudent manner, and in conformance with all applicable laws and regulations, including, but not limited to, those set forth in Exhibit A to the Agreement and Public Utility Commission Distributed Generation Interconnection Manual; and (b) obtain any governmental authorizations and permits as required for the construction and operation of the Facility and interconnection facilities. The Customer shall reimburse COCS for any and all losses, damages, claims, penalties, or liability it incurs as a result of the Customer's failure to obtain or maintain any governmental authorizations and permits required for the construction and operation of the Facility.
- d. Customer covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of its Facilities so as to reasonably minimize the likelihood of a disturbance, originating in the Facilities, affecting or impairing the COCS Electric Utility System, or other systems with which a Party is interconnected.
- e. COCS will notify Customer if there is evidence that the Facility operation causes disruption or deterioration of service to other customers served from the same grid or if the Facility operation causes damage to COCS' Electric Utility System.
- f. Customer shall immediately notify COCS of any emergency, hazardous condition or occurrence, manufacturer defect or deficiency, or any other fault or out of specification operation with the Customer's Facilities which could affect safe operation or reliability of the Electric Utility System.

4. Interruption or Reduction of Deliveries

- a. <u>COCS Authority.</u> COCS shall not be obligated to accept or pay for produced energy from a Facility larger than 20 kW unless a separate agreement has been entered into between the Customer and COCS. At any time, COCS may require the Customer to interrupt or reduce deliveries of available energy in the following instances:
 - (1) When COCS determines that it is necessary in order to construct, install, maintain, repair, replace, remove, or investigate any of COCS equipment of any part of its Electric Utility System;
 - (2) If COCS determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices;
 - (3) Notwithstanding any provision of this Agreement, COCS shall have the right to disconnect the Facility from the Electric Utility System if it determines that either: (a) the Facility or its operation may endanger COCS personnel, or (b) the continued operation of the Facility may endanger the integrity of the Electric Utility System. The Facility shall remain disconnected until such time as COCS is satisfied that the objectionable conditions have been corrected or no longer exists; or
 - (4) COCS discovers or learns of the Facility manufacturer defects or deficiencies that may have adverse operational impacts on the Electric Utility System.
- b. Customer and COCS clearly understand and agree that COCS will not accept nor assume any liability for interrupting the interconnection between the Facility and the Electric Utility System. COCS is authorized to, but not liable for any effects of opening up and padlocking open the Customer's external disconnect switch, disconnecting the Facility at the Electric Utility System's Points of Interconnection or taking any other action that physically separates or isolates the Facility from

the Electric Utility System. COCS will attempt to provide sufficient Customer notice prior to interconnection disconnection, but Customer notice is not necessary for immediate Facility isolation should a condition warrant immediate interconnection disconnection as determined by COCS.

5. Limitation of Liability, Indemnification, and Release.

- a. Notwithstanding any other provision in this Agreement, with respect to COCS' provision of electric service to Customer, COCS' liability to Customer shall be limited as set forth in COCS' Electric Rate Ordinance and terms and conditions for electric service, which is incorporated herein by reference.
- b. COCS shall not be liable to Customer for damages for any act that is beyond its control, including any event that is a result of an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either Party.
- C. INDEMNIFICATION. THE CUSTOMER SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY, ITS OFFICERS, AGENTS, VOLUNTEERS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEYS' FEES, FOR INJURY TO OR DEATH OF ANY PERSON OR FOR DAMAGE TO ANY PROPERTY ARISING OUT OF OR IN CONNECTION WITH THE CUSTOMER'S FACILITY INCLUDING, BUT NOT LIMITED TO: (A) ENGINEERING, DESIGN, CONSTRUCTION, MAINTENANCE, REPAIR, OPERATION, SUPERVISION, INSPECTION, TESTING, PROTECTION OR OWNERSHIP OF; OR (B) THE MAKING OF REPLACEMENTS, ADDITIONS, BETTERMENTS TO, OR RECONSTRUCTION OF THE CUSTOMER'S FACILITY. SUCH INDEMNITY SHALL APPLY REGARDLESS OF WHETHER THE CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, OR LIABILITY ARISE IN WHOLE OR IN PART FROM THE NEGLIGENCE OF THE CITY, ANY OTHER PARTY INDEMNIFIED HEREUNDER, THE CUSTOMER, OR ANY THIRD PARTY.
- d. Release. The Customer assumes full responsibility for the operations and activities to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, volunteers, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the Customers operations and activities to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Customer, or any third party.
- e. Customer shall each be responsible for the safe installation, maintenance, repair and condition of its respective lines and appurtenances on its respective side of the point of delivery. COCS does not assume any duty of inspecting the Customer's lines, wires, switches, or other equipment and will not be responsible therefore. Customer assumes all responsibility for the electric service supplied hereunder and the Facilities used in connection therewith at or beyond the point of delivery, the point of delivery being the point where the electric energy first leaves the Electric Utility System provided and owned by COCS and enters the Facilities provided by Customer.
- **6. Insurance Required.** Customer represents that, at the time of the execution of the Agreement, Customer has currently in force and effect property insurance on the premises described in Exhibit A Facility Schedule

hereof, in the amount of the current value of the premises, and comprehensive personal liability insurance covering the premises in a minimal amount of not less than \$100,000.00 per occurrence. Customer further represents that Customer shall maintain such insurance in force for the duration of this Agreement. Customer agrees to provide a copy of the insurance policy or a valid certificate issued by the insurer (in a form satisfactory to COCS) to COCS prior to any interconnection with the COCS Electric Utility System, and shall provide proof of continuing coverage upon reasonable request given to Customer. The insurance herein provided in Section 6 shall, by endorsement to the policy or policies, provide for thirty (30) days written notice to COCS prior to cancellation, termination, alteration, or material change of such policy or policies of insurance.

7. Testing and Approval of Facility.

- a. The Customer shall install and maintain protective devices for the Facility as required by COCS. The protective devices shall be approved by COCS and independently tested and certified as operational prior to commencing parallel operations with the Electric Utility System. Further testing of the protective devices shall be conducted any time that modifications are made to the Facility. COCS shall have the right to have representatives present at any testing of the Facility's protective devices. Customer shall notify COCS at least five (5) days prior to the testing of the Facility's protective devices.
- b. For the mutual protection of the Customer and the COCS, only with COCS prior authorization are the connections between the COCS' service wires and the Customer's service entrance conductors to be energized. Such authorization shall not be unreasonably withheld, provided that Customer has complied with all COCS requirements.

8. Right of Access, Equipment Installation, Removal & Inspection.

- a. Upon reasonable notice, COCS may send a qualified person to the premises of the Customer at or immediately before the time the Facility first produces energy to inspect the interconnection, and observe the Facility's commissioning (including any testing), startup, and operation for a period of up to no more than three (3) days after initial startup of the unit.
- b. Following the initial inspection process described above, COCS will have the right to access Customer's premises in accordance with COCS Code of Ordinances, Chapter 11, Section 1, Subsection E, and (a) to inspect, at reasonable hours, the Facility's protective devices; or (b) to read or test meters; or (c) to disconnect, without notice whenever deemed reasonably necessary, the Facility from the Electric Utility System, if in the opinion of COCS, an emergency or hazardous condition exists and such immediate action is necessary in order to protect persons, or COCS Electric Utility System, or property of others from damage or interference caused by the Facility, or lack of properly operating Facility protective devices. COCS shall have access to Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal or regulatory obligations to provide service to its customers.

9. Disconnection of Facility or Unit.

a. Customer retains the option to disconnect from COCS' Electric Utility System. Customer will notify COCS of its intent to disconnect by giving the COCS at least thirty (30) days prior written notice. Such disconnection shall not be a termination of this Agreement unless Customer exercises rights under Section 10.

- b. Customer shall disconnect Facility from COCS' Electric Utility System upon the effective date of any termination under Section 10.
- c. COCS shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of the COCS' Electric Utility System serving customer, COCS shall have the right to suspend service to effect immediate repairs on COCS's Electric Utility System.
- 10. Effective Term and Termination Rights. This Agreement becomes effective when fully executed by both parties and shall continue in effect until terminated. This Agreement may be terminated by either Party at any time, by giving the other Party thirty (30) days written notice. Notwithstanding the above, COCS may immediately terminate this Agreement for the following reasons: (a) failure by the Customer to generate energy from the Facility in parallel with the COCS' Electric Utility System within twelve (12) months after completion of the interconnection; (b) the disconnection of electric utility service to the premises due to the delinquency of payment of Customer, after complying with COCS' rules regarding late payment and disconnection that apply to all COCS ratepayers; (c) the closing of Customer's electric utility account; (d) a change in the ownership of the premises by Customer; (e) the failure to maintain the insurance coverage required under Section 6, above; or (f) the failure to comply with any term or condition of this Agreement. All Facility equipment shall be completely disconnected and isolated from the Electric Utility System upon termination of this Agreement by either Party. The Customer shall demonstrate to COCS' satisfaction that the Facility has been properly disconnected and isolated. COCS reserves the right to disconnect the Facility equipment itself or hire a local qualified electrician to perform such work at the sole expense of the Customer, if Customer fails to properly perform such work with seven (7) days of the date of the Agreement termination.
- **11. Governing Law and Regulatory Authority.** This Agreement was executed in Brazos County, Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.
- **12. Amendment.** This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.
- **13. Assignability.** Customer and COCS agree that this Agreement may not be assigned due to the special nature of the Agreement. Any sale or disposition of the real property and the Facility covered hereby in whole or in part, by Customer will require that the Facility be disconnected from the Electric Utility System until COCS has communicated with the new owner about relevant safety issues and until such time as the new owner signs a new Interconnection Agreement with COCS.
- **14. Entirety of Agreement and Prior Agreements Superseded.** This Agreement, including all attached Exhibits, Facility Schedules, and referenced ordinances, as amended, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services

not expressly provided for herein, which agreements are unaffected by this Agreement.

15. Notices. Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

• If to COCS:

College Station Utilities
Attn: Energy Services
1601 Graham Road
P.O. Box 9960
College Station, Texas 77842

The above-listed notice information may be changed by written notification to the other Party, notwithstanding Section 14.

- **16. Invoicing and Payment.** Invoicing and payment terms for services associated with this Agreement shall be consistent with applicable COCS policies and ordinances.
- **17. No Third-Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties except as provided in Section 5 herein, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- **18. No Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.
- **19. Headings.** The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.
- **20. Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

CUSTOMER	CITY OF COLLEGE STATION
Ву:	By:City Manager
Printed Name:	Date:
Address:	APPROVED:
Date:	City Attorney
	Date:
	Assistant City Manager/CFO
	Date:

EXHIBIT A

FACILITY SCHEDULE

[The following information is to be specified for each Point of Interconnection, if applicable.]

1.	Name:			
2.	Facility location:			
3.	<u>Delivery voltage:</u> 240 VAC			
4.	Metering (voltage, location, losses adjustment du Bi-directional service meter	e to metering location, and other):		
5.	Normal Operation of Interconnection: Synchroniz	ed auto-disconnect per UL-1741		
6.	One line diagram attached (check one): Yes	S No		
7.	Facilities to be furnished by COCS: CSU bi-direction	nal meter and PV meter		
8.	. <u>Facilities to be furnished by Customer:</u> Lockable AC disconnect			
9.	Cost Responsibility:			
10.	10. Control area interchange point (check one): Yes No			
11.	11. Supplemental terms and conditions attached (check one): Yes No			
<u>CU</u>	<u>STOMER</u>	CITY OF COLLEGE STATION		
BY:		BY:		
TIT	LE:	TITLE:		
DA	TE:	DATE:		