

Net Energy Metering Interconnection Agreement

Interconnection of Member Owned Water, Wind, Solar Energy, or Biogas from Animal Waste Electric Generating Facilities of 100 Kilowatts or Less

This Net Energy Metering Interconnection Agreement is executed in duplicate this _____ day of _____, 20__ between _____ (hereinafter referred to as "Member"), and (Tanner Electric Cooperative referred to as "Tanner"). Both parties, who may be herein further referred to collectively as "Parties" and individually as "Party", agree as follows:

A. MEMBER ELECTRIC GENERATING FACILITY

1. Member has elected, in accordance with RCW 80.60 et seq., to operate a Net Metered Renewable Energy resource Generating Facility, with a generating capacity of not more than 100 kilowatts, in parallel with Tanner's transmission and distribution facilities. The Member's electric Generating Facility is intended to offset either part or all of the Member's electrical requirements.
2. Tanner will not provide wheeling for Member. Generation from the Net Metering electrical Generating Facility will only be applied to offset consumption at the location of said electrical Generating Facility.
3. Member's Application for Net Metered Electrical Generation, including the location of the electrical generating installation facility and details on the electrical generating unit(s) is hereby incorporated into this agreement as Attachment A.
4. The installation is identified by Tanner with the following designators: Map Location No. _____.
5. A separate interconnection agreement shall be entered into for each Member's electrical service location(s).
6. The electrical generating system facility used by the Member shall be located on the Member's premises. 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, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and Tanner's Net Metering Interconnection Standards, as set forth in Attachment B, which is attached hereto.
7. Tanner shall have the sole authority to determine which Interconnection requirements set forth herein are applicable to Member's proposed Generating Facility.

B. PAYMENT FOR NET ENERGY

1. Tanner shall measure the net electricity produced or consumed by the Member during each billing period, in accordance with normal metering practices.
2. If the electricity supplied by Tanner exceeds the electricity generated by the Member including any accumulated credits, then the Member shall be billed for the net electricity supplied by Tanner together with the appropriate facilities charge paid by other Members of Tanner in the same rate class. Tanner does not currently have a different facilities charge for net-metering customers, however, it reserves the right to adopt a net-metering rate class facilities charge, which shall be applicable to Member upon adoption.
3. If the electricity generated by the Member and distributed back to Tanner during the billing period, exceeds the electricity supplied by Tanner, then the Member shall be:
 - a. billed for the appropriate Member service charge as other Members of Tanner in the same rate class; and
 - b. credited for the net excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on Member's bill.
4. Beginning April 1 of each year, any remaining unused kilowatt-hour credit accumulated by the Member during the previous 12 months shall be granted to Tanner, without any compensation to the Member.
5. Member shall pay any amount owing for electric service provided by Tanner in accordance with applicable rates and policies. Nothing in this Section B shall limit Tanner's rights under its applicable Rate Schedules, Member Service Policies, Bylaws and other applicable rules and regulations of Tanner.

C. INTERRUPTION OR REDUCTION OF DELIVERIES

1. Tanner may require Member 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 Tanner determines that curtailment, interruption, or reduction is necessary because of emergencies or compliance with prudent electrical practices.
2. Whenever possible, Tanner shall give Member reasonable notice of the possibility that interruption or reduction of deliveries may be required.
3. Notwithstanding any other provision of this Agreement, if at any time Tanner determines that either:
 - a. the Generating Facility may endanger Tanner personnel, or

- b. The continued operation of Member's Generating Facility may endanger the integrity of Tanner's Electric System, and then Tanner shall have the right to disconnect Member's Generating Facility from Tanner's Electric System. Member's Generating Facility shall remain disconnected until such time as Tanner is satisfied that the condition(s) referenced in (a) or (b) of this section 3 have been corrected.

D. INTERCONNECTION

1. Member shall deliver the excess energy to Tanner at Tanner's meter.
2. Member shall pay for designing, installing, inspecting, operating, and maintaining the electric Generating Facility in accordance with all applicable laws and regulations and shall comply with Tanner's Interconnection Standards set forth in Attachment B, which is attached hereto.
3. In addition to the cost of any meter that is installed, Member shall pay for Tanner's standard kilowatt-hour meter electrical hook-up charge, if not already present.
4. Member shall not commence Parallel Operation of the Generating Facility until written approval of the Interconnection Facilities has been given by Tanner. Such approval shall not be unreasonably withheld. Tanner shall have the right to have representatives present at the initial testing of Member's protective apparatus. Member shall notify Tanner when testing is to take place.

F. MAINTENANCE AND PERMITS

Member 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, Tanner's Interconnection Standards, and
- b. obtain any governmental authorizations and permits required for the construction and operation of the electric Generating Facility and Interconnection Facilities, including electrical permit(s).
- c. reimburse Tanner for any and all losses, damages, claims, penalties, or liability it incurs as a result of Member's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Member's Generating Facility or failure to maintain Member's Generating Facility as required in (a) of this Section 5.

G. ACCESS TO PREMISES

Tanner may enter Member's premises or property at any time to:

- a. inspect, without prior notice Member's Generating Facility's protective devices;
- b. read and test meter(s); and
- c. disconnect at Tanner's meter or transformer, without notice, the generating facilities if, in Tanner's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or Tanner's facilities, or

property of others from damage or interference caused by Member's electric generating facilities, or lack of properly operating protective devices or inability to inspect the same.

Tanner inspection or other action shall not constitute approval by Tanner. The Member remains solely responsible for the safe and adequate operation of its facilities.

H. INDEMNITY AND LIABILITY

1. The Member assumes the risk of all damages, loss, cost and expense and agrees to indemnify Tanner, its successors and assigns, and its respective directors, officers, employees and agents, from and against any and all claims, losses, costs, liabilities, damages and expenses including, but not limited to, reasonable attorney fees, resulting from or in connection with performance of the agreement or which may occur or be sustained by Tanner on account of any claim or action brought against Tanner for any reason including but not limited to the loss of the electrical system of the Member caused by or arising out of an electrical disturbance.
2. Such indemnity, protection, and hold harmless includes any demand, claim, suit or judgment for damages, death or bodily injury to all persons, including officers, employees or agents, and subcontractors of either Party hereto including payment made under or in connection with any Worker's Compensation Law or under any plan for employees' disability and death benefits or property loss which may be caused or contributed to by the Interconnection, maintenance, operation, use, presence, or removal of Member's equipment. The only exception will be liability occasioned by the sole negligence or willful misconduct of Tanner or its employees acting within the scope of their employment and liability occasioned by a partial negligence of Tanner or its employees acting within the scope of their employment to the extent that such partial liability is fixed by a court of competent jurisdiction.
3. Member shall maintain, during the term of this Agreement, a Homeowner's liability insurance policy or a General Comprehensive Personal Liability Insurance policy insuring for personal injury and property damage related to the construction, operation or maintenance of the Generating Facility. The limit of coverage under such policy shall be for an amount equal to that required by RCW 80.60 et. seq. Such insurance shall, by endorsement to the policy or policies, provide for thirty (30) calendar days written notice to Tanner Electric Cooperative prior to cancellation, termination, attention, or material change of such insurance.
4. The provisions of the Section H 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.
5. Tanner shall have no liability, ownership interest, control or responsibility for the Member's Electric Generating Facility or its Interconnection with Tanner's Electric System, regardless of what Tanner knows or should know about the Member's Electric Generating Facility or its Interconnection.

6. Member recognizes that it is waiving immunity under Washington Industrial Insurance law, Title 51 RCW. This indemnification shall extend to and include attorney's fees and the costs of establishing the right of indemnification hereunder in favor of Tanner.

I. INDEPENDENT CONTRACTORS

The Parties hereto are independent contractors and shall not be deemed to be partners, joint ventures, employees, franchisees or franchisers, servants or agents of each other for any purpose whatsoever under or in connection with this Agreement.

J. GOVERNING LAW

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 Pierce, Washington.

K. FUTURE MODIFICATION OR EXPANSION

Any future modification or expansion of the Member owned Generating Facility will require an engineering review and approval by Tanner. Tanner reserves the right to require the Member, at Member's 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.

L. 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.

M. ASSIGNMENT

The Member shall not assign its rights under this Agreement without the express written consent of Tanner. Tanner may impose reasonable conditions on any such assignment to ensure that all of Member's obligations under this Agreement are met and that none of Member's obligations under this Agreement are transferred to Tanner as a result of default, bankruptcy, or any other cause.

N. APPENDICES

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

Appendix A: Application for Interconnecting a Generating Facility No Larger than 100kW

Appendix B: Generating Facility Certificate of Completion

Appendix C: Member Checklist for Tanner Interconnection

O. NOTICES

All written notices shall be directed as follows:

Tanner Electric Cooperative , PO Box 1426, North Bend, WA 98045-1426

Member:

Name

Address

City, State & Zip

Member notices to TANNER, pursuant to this Section O., shall refer to the Service Address set forth in Appendix A, Application for Net Metered Electrical Generation.

P. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Member and Tanner 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 14.

Q. SIGNATURES

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

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

| | |
|-------------------------------------|---|
| MEMBER: _____ (<i>print name</i>) | TANNER ELECTRIC COOPERATIVE: |
| _____ | _____ |
| | By: Steven Walter Its: General Manager |
| Date: _____ | Date: _____ |

