

Standard Interconnection Agreement

This Standard Interconnection Agreement (the “Agreement”) is entered into as of the date last signed below (the “Effective Date”) by and between the Fayetteville Public Works Commission (“PWC”) and Customer (as defined in Section 1 of this Agreement) (PWC and Customer are each a “Party” and are collectively referred to as the “Parties”). The Parties agree as follows:

1. Customer and Generating Facility

Name(s) _____ (the “Customer”)

Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

Description of generation system and equipment: _____
_____ (the “Generating Facility”)

Manufacturer, Model Name and Number _____

Nameplate Maximum Generating Facility Capacity _____

Nameplate Maximum Inverter Rating _____

The nameplate output of the Generating Facility is _____ kW in the form of phase, wires, alternating current of 60 hertz frequency and at _____ volts. (Not to exceed 499 kW for REBB or 20 kW BASA)

Location of Generating Facility _____ (the “Premises”)

2. **Scope of Agreement.** This Agreement relates solely to the conditions under which PWC and Customer agree that Customer’s Generating Facility, which shall be rated at no more than 499 kilowatts (kW) alternating current power, may be interconnected to and operated in parallel with PWC’s electric system. This Agreement is applicable only to the Generating Facility at the Premises as described in Section 1 and such Generating Facility may not be relocated or connected to PWC’s system at any other location without PWC’s express written permission. This Agreement does not authorize Customer to export power for sale to third parties by Customer and does not constitute an agreement for PWC to purchase or deliver Customer’s power. Other services that Customer may require from PWC, such as for additional electrical supply, shall be covered under separate agreements consistent with PWC’s Service Regulations and Charges.

3. **Customer’s Representations, Warranties, and Covenants.** Customer represents, warrants, and covenants that:

- a. Customer shall own the Premises and the Generating Facility at all times that this Agreement is in effect.

- b. Customer shall fully comply with PWC's rules, policies, and procedures, as those may be amended from time to time, with respect to interconnecting Customer's Generating Facility to PWC's system.
- c. Customer shall install and at all times own, operate, and maintain the Generating Facility and interconnection to PWC's system in compliance with the following standards (the "applicable standards"):
 - i. IEEE 929 – Recommended Practice for Utility Interface of Photovoltaic (PV) Systems, latest published edition;
 - ii. IEEE 1547 – Standard for Interconnecting Distributed Resources with Electric Power Systems, latest published edition;
 - iii. IEEE 1547.1 –2005 Standard Conformance Test Procedures for Interconnection Distributed Energy Resources with Electric Power Systems;
 - iv. IEEE P1547.3 Draft: Guide for Monitoring, Information Exchange, and Control of Distributed Resources Interconnected with Electric Power Systems;
 - v. UL 1741 – Inverters, Converters and Controllers for use in Independent Power Systems, latest published edition; and
 - vi. NFPA 70 – National Electrical Code, latest published edition.
- d. Customer shall provide a copy of the manufacturer's installation, operation, and maintenance instructions for Customer's Generating Facility to PWC.
- e. Customer shall be solely responsible for all legal and financial obligations arising from or relating to the design, construction, installation, operation, maintenance, and ownership of the Generating Facility and its component equipment unless otherwise agreed to in writing by PWC.
- f. Customer shall obtain all permits, inspections, and approvals required by any authority having jurisdiction with respect to the Generating Facility, including from the City of Fayetteville and Cumberland County, as applicable. Customer agrees to provide PWC with copies of any permits and written approvals.
- g. Customer shall use qualified, licensed, bonded, and insured personnel to design and install the Generating Facility in compliance with the applicable standards.
- h. Customer shall, prior to commencing parallel operation of the Generating Facility with the PWC's electric system, have the Generating Facility inspected, tested, and approved by the appropriate authorities having jurisdiction. Customer shall provide a copy of this inspection, any related reports, and approval to PWC.
- i. Customer shall notify PWC of the date of such inspection and testing contemplated in subsection (h) at least ten (10) calendar days in advance. Testing

and inspection shall occur on a regularly scheduled business day, unless otherwise agreed to by the Parties. PWC may, at its own expense, send qualified personnel to the Premises to inspect the Generating Facility, interconnection, and observe the testing.

- j. Customer shall promptly provide notice to PWC of any work or services on or relating to the Generating Facility. Customer agrees that any and all service providers, technicians, contractors, and electricians, including but not limited to, their agents, employees, and anyone or any entity acting at their direction or request, that installs, performs maintenance upon, or otherwise performs work or services relating to the Generating Facility and its component equipment, must be certified, qualified, and otherwise able to fully perform such work and services in accordance with applicable law, the applicable standards, and in a good and workmanlike fashion.
- k. Customer shall install a manual load-break disconnect switch with a clear visible indication of switch position between PWC's electric system and Customer's Generating Facility that is capable of isolating the Generating Facility from PWC's system in compliance with the applicable standards.
- l. Customer shall not allow any energy from stored batteries to backflow into PWC's system.

m. Customer shall install a permanent warning label in a conspicuous place in close proximity to the electric meter or on the meter base to notify PWC personnel that there is a Generating Facility installed on the load side of the meter. The warning label shall not be placed in a location that would interfere with the ability of PWC personnel to read the electric meter. Customer shall also place a warning label on the Isolation Device. PWC will provide the warning labels to Customer. The warning labels must be in place before the Generating Facility can be interconnected with PWC's system.

n. Customer shall be solely responsible for the protection of its Generating Facility, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on PWC electric system in delivering and restoring system power. Customer agrees that any damage to any of its property, including, without limitation, all components and related accessories of its Generating Facility, due to the normal or abnormal operation of PWC's electric system, is at Customer's sole risk and expense.

4. **Interconnection.** Customer shall not commence interconnection or parallel operation of the Generating Facility or any associated component equipment until such time that the PWC certifies, in writing, that the requirements of this Agreement have been met, all documentation has been received under the terms of this Agreement, and PWC has determined, in PWC's reasonable discretion, such operations may commence. In the event Customer

interconnects in violation of any obligation or requirement of this Agreement, PWC shall have the right to immediately isolate and disconnect the Premises and/or Generating Facility from PWC's system until the requirements of this Agreement have been met as indicated in writing by PWC. Customer shall not make any changes to the Generating Facility output capacity and/or modification to the protection system without notice to and written approval from PWC before making the changes to the Generating Facility.

5. **Interconnection Cost.** Any facilities constructed or installed by PWC and necessary to accommodate the interconnection and safe operation of the Customer's Generating Facility in parallel with PWC's electric system shall be furnished under an "Extra Facilities Charges," or similar, schedule and shall be added to and made part of the utility purchase agreement between PWC and Customer.

6. **Metering.** PWC will furnish, install, own, and maintain metering equipment capable of measuring the energy produced by the Generating Facility. Customer agrees to provide safe and reasonable access to the Premises at all times to allow PWC to install, maintain, read, or perform any other reasonable activity concerning the metering and related equipment.

7. **Right of Access.** Customer shall provide PWC at all times the full, free, unobstructed, and safe access to the Generating Facility and the Premises to inspect or disconnect the Generating Facility, read meters, and inspect, maintain, or replace any of PWC's facilities.

8. **Periodic Testing.** Customer shall periodically test the Generating Facility and all associated equipment and related protective devices at intervals specified by the manufacturer or as set forth in the applicable standards.

9. **Disconnection of Generating Facility.** Notwithstanding any other provision of this Agreement, PWC, at its sole and absolute discretion, may isolate Customer's Generating Facility from PWC's system by whatever means necessary, without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. PWC shall have no obligation to compensate the Customer for any loss of energy during any and all periods when Customer's RGS is operating at reduced capacity or is disconnected from PWC's electrical distribution system pursuant to this Interconnection Agreement. Typical conditions which may require the disconnection of the Customer's system include, but are not limited to, the following:

- a. To construct, install, repair, replace, remove, investigate, or inspect any of PWC's equipment or part of PWC's system.
- b. For scheduled outages upon reasonable notice;
- c. For any emergencies, forced or unscheduled outages, or Force Majeure events.

- d. If PWC determines at any time that Customer does not operate the Generating Facility in a manner consistent with the requirements and obligations of this Agreement.
- e. If PWC determines at any time that continued operation of the Generating Facility may endanger PWC's personnel or other persons or property.
- f. If PWC determines at any time that the continued operation of Customer's Generating Facility may endanger the integrity or safety of PWC's electric system.

PWC shall have no liability to Customer, regardless of whether any damages were foreseeable, for disconnecting Customer's Generating Facility from PWC's system pursuant to this Section. PWC will exercise due diligence to reconnect the Customer's Generating Facility with PWC's system in a timely manner.

For purposes of this Agreement, a "Force Majeure event" shall mean any act of God, labor disturbance, act of the public enemy, war, terrorism, insurrection, riot, fire, storm, flood or other extreme weather condition, explosion, breakage or accident to machinery or equipment, any order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing.

10. **Permits and Approvals.** Customer shall obtain all environmental and other permits required by governmental authorities prior to construction, installation, and interconnection of the Generating Facility. Customer shall also maintain these applicable permits and comply with these permits during the term of this Agreement.

11. **Indemnification.** Customer shall indemnify and hold harmless PWC and its Commissioners, officers, employees, agents, and representatives (collectively, "Indemnitees") from and against all claims, actions, liabilities, damages, losses, costs, and expenses (including, without limitation, injury to or death of any persons and damage to property, economic and consequential damages and attorneys' fees) asserted by one or more third parties against one or more of the Indemnitees arising out of or relating to this Agreement, PWC's access to or maneuvering on or about the Premises, PWC inspections relating to the Generating Facility and its component equipment, and relating to the exercise of any of the PWC's rights or privileges set forth in this Agreement. Customer shall reimburse each Indemnitee for its actually incurred reasonable attorney's fees, litigation and arbitration expenses, and costs to defend against third party claims alleged in any court, tribunal, or alternative dispute resolution procedure required of the Indemnitee by law or by contract, if the fault of one or more Responsible Persons is a proximate cause of the attorney's fees, litigation or arbitration expenses, or court costs to be indemnified. Customer's obligation to indemnify and hold harmless and reimburse the Indemnitees shall survive the termination of this Agreement.

12. **Insurance.** Customer shall obtain and maintain, for as long as Customer's Generating Facility is interconnected with PWC's system, comprehensive general liability insurance which protects Customer from claims for bodily injury and/or property damage. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made.

Notwithstanding the foregoing, the minimum coverages shall be as follows:

Up to 10 kW:

- Residential: \$100,000 per occurrence
- Commercial: \$300,000 per occurrence

Above 10 kW – 75 kW:

- Residential: \$300,000 per occurrence
- Commercial: \$500,000 per occurrence

Above 75 kW – 100 kW:

- Residential: \$500,000 per occurrence
- Commercial: \$750,000 per occurrence

Above 100 kW (up to 499 kW):

- \$1,000,000 per occurrence for both Residential and Commercial

Prior to interconnection of the Generating Facility with PWC's system, Customer shall furnish a properly executed certificate of insurance to PWC evidencing the required coverage and any exclusions applicable to such coverage, and confirm that the insurer shall provide annually to PWC certificates confirming such coverage during the coverage period. PWC shall be named as an additional insured. Such insurance shall be obtained from an insurance provider authorized to do business in North Carolina.

13. **No Warranty.** PWC's inspections, acknowledgments, approvals given, or actions taken pursuant to this Agreement shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by PWC, to Customer or any third party, of the safety, durability, reliability, performance, or fitness of the Generating Facility or any associated control, protective devices, or the design, construction, installation, or operation of the Generating Facility.

14. **Term and Termination.** This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. The Agreement may be terminated in accordance with the following:

- a. Customer may terminate this Agreement by providing written notice to PWC.

- b. PWC may terminate this Agreement: (i) or any default or breach of Agreement by Customer; (ii) Customer's failure to pay any for any applicable costs, expenses, or bills when due and payable; (iii) for a condition on Customer's side of the point of interconnection known by PWC to be, or which PWC reasonably anticipates may be, dangerous to life or property; (iv) if Customer either fails to energize the Generating Facility within 12 months of the Effective Date of this Agreement or permanently abandons the Generating Facility; or, (v) by giving the Customer at least sixty (60) calendar days' notice in the event that there is a material change in an applicable rule or statute concerning interconnection and parallel operation of the Generating Facility, unless the Customer's installation is exempted from the change, or the Customer complies with the change in a timely manner.

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement, including Customer's indemnification obligation pursuant to this Agreement. In the event this Agreement is terminated PWC shall have the right to disconnect the Generating Facility from PWC's system.

15. **Assignment.** Customer shall not assign its rights nor delegate its duties under this Agreement without PWC's written consent. Any assignment or delegation by Customer without PWC's written consent shall be null and void. PWC shall have sole discretion to determine whether to provide consent to Customer's assignment of this Agreement; provided, however, that PWC shall not unreasonably withhold such consent. An assignee or new customer must obtain PWC's written approval before any assignment shall occur. Customer assumes the responsibility of ensuring a new customer or assignee is aware the new customer or assignee must obtain PWC's written acceptance, or the equipment must be removed or disabled to prevent future interconnection and/or operation.

16. **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, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

17. **No Waiver.** No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed, or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any agreement or covenant herein shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

18. **Notices.** Any notice which either Party is required or desires to give the other hereunder shall be deemed sufficiently given if, in writing, it is delivered personally, or by any other means, to the addresses listed herein below, or such other address as either Party shall give to the other Party by written notice in accordance herewith. Any notice given herein shall be deemed delivered when received, or refusal to accept delivery by the addressee is noted thereon by the delivering agent (if the agent is USPS or a commercial overnight courier service).

To PWC:

Fayetteville Public Works Commission
Attn: CEO/General Manager
PO Box 1089
Fayetteville, NC 28302

To Customer:

The address provided in Section 1 of this Agreement

19. **Severability.** If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion or provision shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.

20. **Governing Law.** The validity, interpretation, and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of North Carolina, without regard to its conflicts of law principles.

21. **Amendment of Agreement.** Except as otherwise provided herein, this Agreement may only be amended by a written instrument executed by both Parties. Notwithstanding the foregoing, this Agreement may be amended solely by PWC by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to Customer, and provided that, except as otherwise expressly provided in the Agreement, no such amendment materially adversely affecting Customer's rights hereunder may be made without Customer's written consent.

22. **No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

23. **Changes in Applicable Law.** This Agreement and any other applicable documents are subject to changes or substitutions, either in whole or in part, as may be necessary to conform to applicable law. Unless specified otherwise, any such changes or substitutions shall become effective immediately and shall nullify all prior provisions in conflict therewith.

24. **Customer Certification.** By signing this Agreement below, Customer hereby certifies that, to the best of Customer's knowledge, all the information provided to PWC in connection with electric service and interconnection pursuant to this Agreement is true and correct, and that Customer has received and reviewed this Agreement, the applicable standards, and PWC's Service Regulations and Charges.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

Fayetteville Public Works Commission

Customer

By: _____
Timothy L. Bryant, CEO/General Manager

By: _____

Date: _____

Date: _____

FOR PREFILLING PURPOSES ONLY
SIGNATURE COORDINATED BY PWC