

Parkland Light & Water Company
12918 Park Ave
Tacoma, WA 98444



**Interconnection Requirements of Member Owned Renewable
Electric Generating Facilities of 100 Kilowatts or Less**

(REVISED 9/16/2016)

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I. Purpose

The purpose of this policy is to establish rules for determining the terms and conditions governing the interconnection of electric generating facilities fueled by renewable energy with a nameplate generating capacity of not more than 100 kilowatts to the Electric System of Parkland Light & Water Company (PL&WCo).

These rules are intended to be consistent with the requirements of chapter 80.60 RCW, Net Metering of Electricity, and to comply with applicable sections of the Energy Policy Act of 2005.

II. Policy

It shall be the policy of the Parkland Light & Water Company to interconnect electric generating facilities that use water, wind, solar energy, or biogas from animal waste with a nameplate generating capacity of not more than 100 kilowatts pursuant to the terms and conditions set forth in this policy as approved by Parkland Light & Water Company Resolution 16 dated March 17, 1981.

III. Responsibility

The responsibility for implementation of this Requirement shall be the Board of Directors and the General Manager.

IV. Application of rules

These rules include various requirements applicable to Parkland Light & Water Company, the Applicant and the Generator.

V. Definitions

“Applicant” means any person, corporation, partnership, government agency, or other entity who qualifies as a member as described in the Corporation's Bylaws, and who makes application to interconnect a Generating Facility to PL&WCo's Electric System pursuant to this policy.

“Application” means the written notice as defined in WAC 480-108-030 provided by the Applicant to PL&WCo that initiates the Interconnection process.

“PL&WCo” means Parkland Light & Water Company that owns and operates the electrical distribution system, or the electrical distribution system itself, onto which the Applicant seeks to interconnect a Generating Facility.

“Certificate of Completion” means the attached certificate furnished by PL&WCo and completed by the Applicant or Generator and the electrical inspector having jurisdiction over the installation of the facilities indicating completion of installation and inspection of the Interconnection.

“Electric System” means all electrical wires, equipment, and other facilities owned or provided by PL&WCo that are used to transmit electricity to Members.

“Generating Facility” means a source of electricity provided by Renewable Energy owned by the Applicant or Generator that is located on the Applicant’s side of the Point of Common Coupling, and all facilities ancillary and appurtenant thereto, including Interconnection Facilities, which the Applicant requests to interconnect to PL&WCo’s Electric System.

“Generator” means the entity that owns and/or operates the Generating Facility interconnected to PL&WCo’s Electric System.

“Initial Operation” means the first time the Generating Facility is in Parallel Operation with the Electric System.

“In-Service Date” means the date on which the Generating Facility or system upgrades and any related facilities are complete and ready for service, even if the Generating Facility is not placed in service on or by that date.

“Interconnection” means the physical connection of a Generating Facility to the Electric System so that Parallel Operation may occur.

“Interconnection Agreement” means the standardized terms and conditions that govern the Interconnection of generating facilities pursuant to these rules. The model Interconnection Agreement may be modified to accommodate terms and conditions specific to individual Interconnections, subject to the conditions set forth in these rules.

“Interconnection Facilities” means the electrical wires, switches and other equipment used to interconnect a Generating Facility to the Electric System.

“Member” means any natural person, firm, association, corporation, business trust, partnership, limited liability company, state, state agency, or state political subdivision, foreign government, the United States of America or any federal agency or federal political subdivision, or body politic who becomes a Member pursuant to PL&WCo bylaws.

“Net Metering” means measuring the difference between the electricity supplied by PL&WCo and the electricity generated by a Generating Facility that is fed back to PL&WCo over the applicable billing period.

“Network Distribution System (grid or spot)” means electrical service from a distribution system consisting of two or more primary circuits from one or more substations or transmission supply points arranged such that they collectively feed secondary circuits serving one (a spot network) or more (a grid network) PL&WCo Members.

“Parallel Operation” or *“Operate In Parallel”* means the synchronous operation of a Generating Facility while interconnected with PL&WCo’s Electric System.

“Point of Common Coupling” or *“PCC”* means the point where the Generating Facility’s local electric power system connects to PL&WCo’s Electric System, such as the electric power revenue meter or at the location of the equipment designated to interrupt, separate or disconnect the connection between the Generating Facility and PL&WCO.

“Renewable Energy” – Energy generated by a facility that uses water, wind, solar energy, or biogas from animal waste as a fuel, or fuel cells as set forth in RCW 80.60.

“Rates” - Rates for payment of energy sold by generator to PL&WCo as described in Public Utility Regulatory Policy Act (PURPA) of 1978 292.304(ii)(2) and RCW 80.60.30.

VI. Technical Standards for Interconnection

The technical standards listed in this section shall apply to all generating facilities to be interconnected to PL&WCo under these requirements.

A. General Interconnection requirements

1. Any Generating Facility desiring to interconnect with PL&WCo’s Electric System or modify an existing Interconnection must meet all minimum technical specifications applicable, in their most current approved version, as set forth in this policy.
2. The specifications and requirements in this section are intended to mitigate possible adverse impacts caused by the Generating Facility on PL&WCo equipment and personnel and on other members of PL&WCO. They are not intended to address protection of the Generating Facility itself, Generating Facility personnel, or its internal load. It is the responsibility of the Generating Facility to comply with the requirements of all appropriate standards, codes, statutes and authorities to protect its own facilities, personnel, and loads.

3. The specifications and requirements in this section shall generally apply to the Generating Facility throughout the period encompassing the Generator's installation, testing and commissioning, operation, maintenance, decommissioning and removal of said equipment. PL&WCo may verify compliance at any time, with reasonable notice.
4. The Generator shall comply with the requirements in subsections 4(a), 4(b) and 4(c) and all PL&WCo policies.
 - (a) Code and Standards. Applicant shall conform to all applicable codes and standards for safe and reliable operation. Among these are the National Electric Code (NEC), National Electric Safety Code (NESC), the Institute of Electrical and Electronics Engineers (IEEE), American National Standards Institute (ANSI), and Underwriters Laboratories (UL) standards, and local, state and federal building codes. The Generator shall be responsible to obtain all applicable permit(s) for the equipment installations on its property.
 - (b) Safety. All safety and operating procedures for joint use equipment shall be in compliance with the Occupational Safety and Health Administration (OSHA) Standard 29, CFR 1910.269, the NEC, Washington Administrative Code (WAC) rules, the Washington Industrial Safety and Health Administration (WISHA) Standard, and equipment manufacturer's safety and operating manuals.
 - (c) Power Quality. Installations will be in compliance with all applicable standards including IEEE Standard 519-1992 Harmonic Limits.

B. Specific Interconnection requirements.

1. Applicant shall furnish and install on Applicant's side of the utility meter, a UL-approved safety disconnect switches which shall be capable of fully disconnecting the Applicant's Generating Facility from PL&WCo's Electric System. The disconnect switch shall be accessible on the exterior of the building and shall be of the visible break type in a metal enclosure which can be secured by a padlock. The disconnect shall be mounted adjacent to the "production" and/or "utility" meter(s).
2. PL&WCo shall have the right to disconnect the Generating Facility at either of the disconnect switches under the following circumstances: when performing scheduled maintenance & testing of the electric meter(s); when necessary to maintain safe electrical operating conditions; if the Generating Facility does not meet required standards; if the Generating Facility at any time adversely affects or endangers any person, the property of any person, PL&WCo's operation of its Electric System or the quality of PL&WCo's service to other Members; or failure of the owner of record, as filed with PL&WCo, to notify PL&WCo of a sale or transfer of

the Generator, Interconnecting Facilities or the premises on which the Generator is located.

3. Nominal voltage and phase configuration of Applicant's Generating Facility must be compatible to the PL&WCo system at the Point of Common Coupling.
 4. Generation will never result in reverse current flow into PL&WCo's network. All instances of Interconnection to secondary spot Network Distribution System shall require review and written pre-approval by PL&WCo. Interconnection to distribution secondary grid networks is not allowed. Closed transition transfer switches are not allowed in secondary Network Distribution Systems.
 5. UL 1741 is the standard to which the proposed Generating Facility system inverter is built. That standard provides adequate assurance that when manufactured the inverter will perform in a manner that prevents back feed during islanding. PL&WCo requires that the inverter be capable of separating the Generating Facility from the utility during island events for life of the system. The system must be tested at least once per year to demonstrate its ability to protect against back feed to the PL&WCo's system upon loss of line power. PL&WCo proposes a practical field test that is acceptable to both parties, rather than the certification tests specified in UL 1741. Should the unit fail to pass the periodic islanding test, the inverter must immediately be taken out of service until it is restored to proper operation and successfully retested. PL&WCo reserves the right to witness such testing at its sole discretion.
 6. PL&WCo may impose additional requirements for the Applicant and/or Generator, including limitation on the number of Customer Generators and total capacity of Net Metering Systems that may be interconnected to any distribution feeder line, circuit, or network that PL&WCo determines are necessary to protect public safety and system reliability.
- C. Specifications applicable to all inverter-based Interconnections. Any inverterbased Generating Facility desiring to interconnect with PL&WCo's Electric System or modify an existing Interconnection must meet the technical specifications, in their most current approved version, as set forth below.
1. IEEE Standard 1547-2003, Standard for Interconnecting Distributed Resources with Electric Power Systems.
 2. UL Standard 1741, Inverters, Converters, and Controllers for Use in Independent Power Systems. Equipment must be UL listed.
 3. IEEE Standard 929-2000, IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems.

- D. Requirements applicable to all non-inverter-based Interconnections. Noninverter based Interconnection requests may require more detailed review, testing, and approval by PL&WCo, at Applicant cost, of the equipment proposed to be installed to ensure compliance with applicable technical specifications, in their most current approved version, including:
1. IEEE Standard 1547-2003, Standard for Interconnecting Distributed Resources with Electric Power Systems.
 2. ANSI Standard C37.90, IEEE Standard for Relays and Relay Systems Associated with Electric Power Apparatus.
 3. Applicants proposing such Interconnection may also be required to submit a power factor mitigation plan for PL&WCo review and approval.

VII. Application for Interconnection

- A. When an Applicant requests Interconnection from PL&WCo, the Applicant shall be responsible for conforming to the applicable PL&WCo policies. PL&WCo will designate a point of contact and provide a telephone number or E-mail address for this purpose. The Applicant seeking to interconnect a Generating Facility under these rules must fill out and submit a signed Application form. Information must be accurate, complete, and approved by PL&WCo prior to installing the Generating Facility.
- B. Application Fees. None at this time.
- C. Application Prioritization. All generation Interconnection application for service requests pursuant to this policy will be prioritized by PL&WCo in the same manner as any new load application for service request. Preferential treatment will not be given to one type of request to the detriment of the other. PL&WCo will process the Application and provide Interconnection in a time frame consistent with the average of other service connections. Generation Interconnection requests that are above 100kW may be subject to other PL&WCo policies.
- D. Application evaluation. All generation Interconnection requests pursuant to this policy will be reviewed by PL&WCo for compliance with these rules. If, in its sole discretion, PL&WCo finds that the Application does not comply with this policy, PL&WCo may reject the Application. If PL&WCo rejects the Application it shall provide the Applicant with written notification stating its reasons for rejecting the Application.

VIII. General terms and Conditions of Interconnection The general terms and conditions listed in this section shall apply to all generating facilities interconnecting to PL&WCo.

- A. Any electrical Generating Facility with a maximum electrical generating capacity of 100 kW or less must comply with these rules to be eligible to interconnect and Operate in Parallel with PL&WCo's Electric System. The rules under this policy shall apply to all interconnecting Generating Facilities that are intended to Operate in Parallel with PL&WCo's Electric System irrespective of whether the Applicant intends to generate energy to serve all or a part of the Applicant's load. This policy does not address commercial generation.
- B. In order to ensure system safety and reliability of interconnected operations, all interconnected generating facilities shall be constructed and operated by Generator in accordance with this policy and all other applicable federal, state, and local laws and regulations.
- C. Prior to Initial Operation, all Generators must submit a completed Certificate of Completion to PL&WCo; execute the appropriate Interconnection Agreement contained in Attachment C, and any other agreement(s) required by these rules for the disposition of the Generating Facility's electric power output. The Interconnection Agreement between PL&WCo and Generator outlines the Interconnection standards, cost allocation and billing agreements, and on-going maintenance and operation requirements.
- D. Applicant or Generator shall promptly furnish PL&WCo with copies of such plans, specifications, records, and other information relating to the Generating Facility or the ownership, operation, use, or maintenance of the Generating Facility, as may be reasonably requested by PL&WCo from time to time.
- E. For the purposes of public and working personnel safety, any non-approved generation Interconnections discovered will be immediately disconnected from PL&WCo system.
- F. To ensure reliable service to all PL&WCo Members and to minimize possible problems for other Members, PL&WCo will review the need for a dedicated-to-single-Member distribution transformer. Interconnecting generating facilities under 100 kW, may require a separate transformer. If PL&WCo requires a dedicated distribution transformer, the Applicant or Generator shall pay for all costs of the new transformer and related facilities.
- G. Net Metering for Renewable Energy as set forth in RCW 80.60: PL&WCo shall install, own and maintain a kilowatt-hour meter, or meters as the installation may determine, capable of registering the bi-directional flow of electricity at the Point of Common Coupling at a level of accuracy that meets all applicable standards, regulations and statutes. The meter(s) may measure such parameters as

PL&WCo shall specify. The Applicant shall provide space for metering equipment. It will be the Applicant's responsibility to provide the current transformer enclosure (if required), meter socket(s) and junction box after the Applicant has submitted drawings and equipment specifications for PL&WCo approval.

- H. Common labeling furnished or approved by PL&WCo and in accordance with NEC requirements must be posted on meter base, disconnects, and transformers informing working personnel that generation is operating at or is located on the premises.
- I. As currently set forth for qualifying generation under RCW 80.60, for Renewable Energy resources, PL&WCo shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering system, or for the acts or omissions of the customer-generator that cause loss or injury, including death, to any third party.
- J. Prior to any future modification or expansion of the Generating Facility, the Generator will obtain PL&WCo review and approval. PL&WCo reserves the right to require the Generator, at the Generator's expense, to provide corrections or additions to existing electrical devices in the event of modification of government or industry regulations and standards.
- K. For the overall safety and protection of the PL&WCo system, RCW 80.60 currently limits Interconnection of generation for Net Metering to 0.25% of PL&WCo's peak demand in years 1996 through 2013.
- L. It is the responsibility of the Generator to protect its facilities, loads and equipment and comply with the requirements of all appropriate standards, codes, statutes and authorities.
- M. Charges by PL&WCo to the Applicant or Generator in addition to the Application fee, if any, will be cost-based and applied as defined by PL&WCo. Such costs may include, but are not limited to, transformers, production meters, and PL&WCo testing, qualification, and approval of non UL 1741 listed equipment. The Generator shall be responsible for any costs associated with any future upgrade or modification to its interconnected system required by modifications in PL&WCo's Electric System.
- N. Generator may disconnect the Generating Facility at any time; provided that the Generator provides reasonable notice to PL&WCo.

O. Generator shall notify PL&WCo prior to the sale or transfer of the Generating Facility, the Interconnection Facilities or the premises upon which the facilities are located. The Applicant or Generator shall not assign its rights or obligations under any agreement entered into pursuant to these rules without the prior written consent of PL&WCo, which consent shall not be unreasonably withheld. To continue interconnection service to a new member, Parkland Light & Water Company requires that a new Net Metering Interconnection Agreement be signed by the new member/owner within 30 calendar days of the sale/transfer.

P. Rates, charges and credits shall be as directed by PURPA and RCW 80.60.30.

IX. Certificate of Completion All generating facilities must obtain an electrical permit and pass electrical inspection before they can be connected or Operated in Parallel with PL&WCo's Electric System. Generator shall provide written certification to PL&WCo that the Generating Facility has been installed and inspected in compliance with the local building and/or electrical codes.

X. Required Filings – Exceptions

Q. PL&WCo shall maintain on file for inspection at its place of business, the charges, terms and conditions for Interconnections pursuant to these rules. Such filing includes forms of the following documents and contracts:

1. Application (Appendix A)
2. Certificate of Completion (Appendix B)
3. Certificate of Completion (Appendix C)

APPENDIX A

Application for Interconnecting a Generating Facility No Larger than 100kW

This Application is considered complete when it provides all applicable and correct information required below. Additional information to evaluate the Application may be required.

Interconnection Member Information

Name:

Contact Person:

Address:

City:

State:

Zip: _____

Telephone (Day): _____

(Evening): _____

Contact (if different from Interconnection Member)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____

Telephone (Evening): _____

Fax #: _____

E-Mail Address: _____

Owner of the facility (include % ownership by any electric utility): _____

Generating Facility Information

Location (if different from above): _____

Electric Service Company: _____ Map Location Number: _____

Inverter Manufacturer: _____ Model _____

Nameplate Rating: _____(kW) _____(kVA) _____(AC Volts)

Single Phase _____ Three Phase _____

System Design Capacity: _____(kW) _____(kVA)

Prime Mover: Photovoltaic _____ Reciprocating Engine _____ Fuel Cell _____ Turbine _____

Other (describe) _____

Energy Source: Water Wind Solar Energy Bio-Gas from animal waste

Other (describe) _____

Is the equipment UL1741 Listed? Yes No ___

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date: _____ Estimated In-Service Date: _____

List components of the Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Interconnection Member's Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 100 kW and return the Certificate of Completion when the Small Generating Facility has been installed.

Signed: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Generating Facility

Interconnect the Generating Facility

(For PL&WCo use only)

Interconnection of the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 100kW and return of the Certificate of Completion.

PL&WCo Signature: _____

Title: _____ Date: _____

Application ID number (Customer #): _____

PL&WCo waives inspection/witness test? Yes ___ No ___

APPENDIX B: Generating Facility Certificate of Completion

Is the Generating Facility owner-installed? Yes _____ No _____

Interconnection Member: _____

Contact Person: _____

Address: _____

Location of the Generating Facility (if different from above):

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Electrician: _____

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Date Approval to Install Facility granted by PL&WCO: _____

Application ID number (Customer #): _____

Inspection:

The Generating Facility has been installed and inspected in compliance with the local building/ electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

Print Name: _____

Date: _____

APPENDIX C: Member Checklist for Parkland Light & Water Company Interconnection

- Submit an Application to PL&WCo
 - ✓ Interconnection inverter must be UL 1741 Listed
 - ✓ Electrical schematic drawing must be included
 - ✓ Include provisions for a lockable visible disconnect.
- Send to: Parkland Light & Water Company PO Box 44426 Tacoma, WA 98448
- Receive written design approval from PL&WCo
- Get an electrical permit from Washington State L&I.
- Complete the installation.
- Get inspections from a state electrical inspector.
- If net metered, PL&WCo approves, or installs new, bi-directional meter.
- If production metered, PL&WCo installs a production meter after inspection approval.
- Submit Certificate of Completion to PL&WCo
- Start generating power

Questions?

Call Parkland Light & Water Company at 253-531-5666.

Appendix D

Net Energy Metering Interconnection Agreement

Interconnection of Member Owned Water, Wind, Solar Energy, Fuel Cell 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 (Parkland Light & Water Company). Herein after referred to as "PL&WCo"). Both parties, who may be herein further referred to collectively as "Parties" and individually as "Party", agree as follows:

1) 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 PL&WCo's distribution facilities. The Member's electric Generating Facility is intended to offset either part or all of the Member's electrical requirements.
2. PL&WCo will not provide wheeling for Member as generation from the Net Metering electrical Generating Facility will only be applied to 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 PL&WCo 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 PL&WCo's Net Metering Interconnection Standards, as set forth in Attachment B, which is attached hereto.
7. PL&WCo shall have the sole authority to determine which Interconnection requirements set forth herein are applicable to Member's proposed Generating Facility.

2) PAYMENT FOR NET ENERGY

1. PL&WCo 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 PL&WCo exceeds the electricity generated by the Member including any accumulated credits, then the Member shall be billed for the net electricity supplied by PL&WCo together with the appropriate Member charge paid by other Members of PL&WCo in the same rate class.
3. Member shall pay any amount owing for electric service provided by PL&WCo in accordance with applicable rates and policies. Nothing in this Section 2 shall limit PL&WCo's rights under applicable Rate Schedules, City Ordinances, Member Service Policies, and General Provisions.

3) INTERRUPTION OR REDUCTION OF DELIVERIES

1. PL&WCo 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 PL&WCo determines that curtailment, interruption, or reduction is necessary because of emergencies, force or compliance with prudent electrical practices.
2. Whenever possible, PL&WCo 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 PL&WCO determines that either:
 - a. the Generating Facility may endanger PL&WCo personnel, or
 - b. The continued operation of Member's Generating Facility may endanger the integrity of PL&WCo's Electric System, and then PL&WCo shall have the right to disconnect Member's Generating Facility from PL&WCo's Electric System. Member's Generating Facility shall remain disconnected until such time as PL&WCo is satisfied that the condition(s) referenced in (a) or (b) of this section 3 have been corrected.

4. INTERCONNECTION

- a. Member shall deliver the excess energy to PL&WCo at PL&WCo's meter.
- b. 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 PL&WCo's Interconnection Standards set forth in Attachment B, which is attached hereto.
- c. Member shall pay for PL&WCo's standard watt-hour meter electrical hookup, if not already present.
- d. Member shall not commence Parallel Operation of the Generating Facility until written approval of the Interconnection Facilities has been given by PL&WCo. Such approval shall not be unreasonably withheld. PL&WCo shall have the right to have representatives present at the initial testing of Member's protective apparatus. Member shall notify PL&WCo when testing is to take place.

5. 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, PL&WCo'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 PL&WCo 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.

6. ACCESS TO PREMISES

PL&WCo 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 PL&WCo's meter or transformer, without notice, the generating facilities if, in PL&WCo's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or PL&WCo'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.

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

7. INDEMNITY AND LIABILITY

- a. The Member assumes the risk of all damages, loss, cost and expense and agrees to indemnify PL&WCo, 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 PL&WCo on account of any claim or action brought against PL&WCo 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.
- b. 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 PL&WCo or its employees acting within the scope of their employment and liability occasioned by a partial negligence of PL&WCo 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.
- c. The provisions of the Section 7 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.
- d. PL&WCo shall have no liability, ownership interest, control or responsibility for the Member's Electric Generating Facility or its Interconnection with PL&WCo's Electric System, regardless of what PL&WCo knows or should know about the Member's Electric Generating Facility or its Interconnection.
- e. 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 PL&WCo.

8. 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.

9. 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.

10. FUTURE MODIFICATION OR EXPANSION

Any future modification or expansion of the Member owned Generating Facility will require an engineering review and approval by PL&WCo. PL&WCo 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.

11. 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.

12. ASSIGNMENT

The Member shall not assign its rights under this Agreement without the express written consent of PL&WCo. PL&WCo 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 PL&WCo as a result of default, bankruptcy, or any other cause.

13. 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 PL&WCO Interconnection

Appendix D: Net Energy Metering Interconnection Agreement

14. NOTICES

All written notices shall be directed as follows:

Parkland Light & Water Company PO Box 44426 Tacoma, WA 98448 Member:

Name

Address

City, State & Zip

Member notices to PL&WCo, pursuant to this Section 15, shall refer to the Service Address set forth in Appendix A, Application for Net Metered Electrical Generation.

15. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Member and PL&WCo 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 13.

16. 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: Parkland Light & Water Company:

Signature

Signature

Print name

Print name

Title

Title

Date

Date
