

STANDARD INTERCONNECTION AGREEMENT
INCORPORATED COUNTY OF LOS ALAMOS DEPARTMENT OF PUBLIC UTILITIES
STANDARD INTERCONNECTION AGREEMENT FOR
QUALIFYING FACILITIES

_____ (“Customer”) and the Incorporated County of Los Alamos, New Mexico, by and through its Department of Public Utilities (“Utility or County”), referred to collectively as parties and individually as party, agree as follows:

1. QUALIFYING FACILITY (“Facility”):

Customer's electric service account number _____

Type of generating facility _____
(Solar, Wind, etc.)

Rated generating capacity _____ (kW)

Customer and facility address _____

Facility will be ready for operation on or about _____ (date)

2. OPERATING OPTION

2.1. Customer has elected to operate its Qualifying Facility in parallel with Utility's system.

2.2. Customer understands that if this agreement is accepted, connection and operation of customer's Qualifying Facility must meet at all times all applicable safety and performance standards, including those established by the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), Underwriters Laboratories (UL), the National Electrical Safety Code (NESC), and all additional safety and performance standards of Utility that are necessary to protect public safety and system reliability.

Customer shall be subject to the terms and conditions set forth in the Utility's Electric Rule E-5 for Interconnection – Connection with Cogeneration and Small Power Producers (“Utility Rule”), a copy of which is attached to this agreement. Customer hereby acknowledges that Customer has read this rule. Electric rates, including cogeneration customers, are subject to change.

3. UTILITY RULE. This Agreement shall be subject to and interpreted consistent with the provisions of Utility Electric Rule E-5.

4. CREDIT FOR ENERGY PRODUCED. Credit for energy produced shall be in accordance with the Utility's Rule, E-5.05, Metering Calculation.

5. INTERRUPTION OR REDUCTION OF DELIVERIES

5.1. Utility shall not be obligated to accept or pay for and may require Customer to interrupt or reduce deliveries of available energy in the following circumstances:

- a. When necessary, in order to construct, install, maintain, repair, replace, remove, or inspect any of its equipment or part of its system; or
- b. If Utility reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices.

5.2. To the extent practicable, Utility shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

5.3. Notwithstanding any other provision of this agreement, if at any time Utility reasonably determines that:

- a. The Customer's facility may endanger Utility personnel or other persons or property, or
- b. the continued operation of this facility may endanger the integrity or safety of Utility's electric system, then Utility shall have the right to immediately disconnect and lock out Customer's facility from Utility's electric system. No prior notice to the customer is required in circumstances where the Utility reasonably determines that the immediate action is necessary provided that the Utility shall notify Customer as soon as practicable. Customer's facility shall remain disconnected until such time as Utility is reasonably satisfied that the conditions referenced in this Section have been corrected.

6. INTERCONNECTION

6.1. Customer shall deliver the as-available energy to Utility at the Utility's meter.

6.2. Customer shall pay for designing, installing, operating, and maintaining the electric generating facility in accordance with all applicable laws and regulations, including the requirements of Utility for interconnection of a Qualifying Facility with Utility's electric system.

6.3. Utility shall furnish and install a standard kilowatt-hour service meter. Customer shall provide and install a meter socket and any related interconnection equipment per Utility's requirements.

6.4. Utility shall meter the Customer's usage by using two registers. A separate register shall be used for measurement of energy flows in each direction at the point of delivery. Metering shall be at the expense of the Customer.

6.5 Customer shall provide a clearly understandable sketch or one-line diagram showing the Qualifying Facility, the interconnection equipment, breaker panel(s), disconnect switches and metering, to be attached to this Agreement.

6.6 The customer must provide an exterior, lockable disconnect switch to allow Utility personnel to physically disconnect the Customer's Facilities from the Utility.

6.7 Customer shall not commence parallel operation of the generating facility until written approval of the interconnection facilities has been given by Utility. Such approval shall not be

unreasonably withheld or delayed. Notwithstanding the foregoing, Utility approval to operate Customer's Qualifying Facility in parallel with Utility's electrical system should not be construed as an endorsement, confirmation, warranty, guarantee or representation concerning the safety, operating characteristics, durability or reliability of Customer's Qualifying Facility. Utility shall have the right to have its representatives present at the initial testing of Customer's protective apparatus.

7. MAINTENANCE AND PERMITS

7.1. Customer shall maintain the 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, this interconnection requirement, and

7.2. Customer shall obtain any governmental authorizations and permits required for the construction and operation of the electric generating facility and interconnection facilities.

8. ACCESS TO PREMISES. Utility may enter Customer's premises:

- a. to inspect, at all reasonable hours, Customer's protective devices and read or test meters; and
- b. to disconnect, without notice, the interconnection facilities, if Utility reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, or Utility's facilities, or property of others from damage or interference caused by Customer's facilities, or lack of properly operating protective devices.

9. INDEMNITY AND LIABILITY

9.1. Subject to all limitations contained in applicable state law, including the New Mexico Tort Claims Act, each party shall indemnify the other party, its directors, officers, agents and employees against all loss, damages expense and liability to third persons for injury to or death of persons or injury to property caused by the indemnifying party's engineering design, construction ownership or operations of, or the making of replacements, additions or betterment to, by failure of, any of such party's works or facilities used in connection with this agreement by reason of omission or negligence, whether active or passive. The indemnifying party shall, on the other party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying party shall pay all costs that may be incurred by the other party in enforcing this indemnity. It is the intent of the parties hereto that, where negligence is determined to have been contributory, principles of comparative negligence will be followed and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

9.2. Nothing in this agreement shall be construed to create any duty to any standard of care with reference to or any liability to any person not a party to this agreement. Neither Utility, its officers, agents or employees shall be liable for any claims, demands, costs, losses, causes of action, or any other liability of any nature or kind, arising out of the engineering, design construction, ownership, maintenance or operation of, or making of replacements, additions or improvements to, customer's facilities by customer or any other person or entity.

9.3. Neither Utility, its officers, agents or employees shall be liable for damages to the electrical generating equipment caused by an electrical disturbance on the Utility system or on the system of another, whether or not the electrical disturbance results from the negligence of Utility.

10. GOVERNING LAW. This agreement shall be interpreted, governed, and construed under the laws of the state of New Mexico as if executed and to be performed wholly within the state of New Mexico.

11. AMENDMENT, 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 a waiver of the breach of any other term or covenant unless such waiver is in writing.

12. NOTICES. All written notices shall be directed as follows:

Attention: Utilities Manager
1000 Central Avenue, Suite 130
Los Alamos, New Mexico 87544

Attention: CUSTOMER
Name: _____
Address: _____
City: _____

Customer notices to Utility pursuant to this Agreement shall refer to the Customer's electric service account number set forth in Section 1 of this agreement

13. TERM OF AGREEMENT. This Agreement shall be in effect when signed by the Customer and Utility and shall remain in effect for one year and from year to year unless terminated by either party after the initial year on ten (10) days' prior written notice.

14. ASSIGNMENT. This Agreement and all provisions hereof shall inure to and be binding upon the respective parties hereto, their personal representatives, heirs, successors, and assigns. Customer shall not assign this Agreement or any part hereof without the prior written consent of Utility, and such unauthorized assignment may result in the termination of this Agreement.

15. ATTACHMENTS. This Agreement includes the following attachments, as labeled and incorporated herein by reference:

- a. Utility's Electric Rule E-5 Interconnection – Connection with Cogeneration and Small Power Producers.
- b. Customer's completed Application for Operation of Customer-Owned Generation.

- c. Customer's site plan and one-line diagram for generation source including service entrance requirements, disconnecting means, panels, breakers, wire types and sizes, etc.
- d. Utility's written authorization to interconnect (this form), and completed service request form (when applicable--for new service installations).

IN WITNESS WHEREOF, the parties 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.

CUSTOMER

Name (Printed): _____

Signature: _____

Title: _____

Date: _____

UTILITY

Philo Shelton,
Utilities Manager

Signature: _____

Date: _____