

APPENDIX A

STANDARD INTERCONNECTION AGREEMENT FOR NET-METERING FACILITIES

I. STANDARD INFORMATION

Section 1. Customer Information

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Facility Location (if different from above): _____
Daytime Phone: _____ Evening Phone: _____
Utility Customer Account Number (from electric bill) to which the Net-Metering Facility is physically attached: _____
Type of Facility (circle one)
Customer-owned _____ Leased _____ Service Agreement _____

Section 2. Owner Information

Name: _____
Contact Person: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Evening Phone: _____
E-Mail Address: _____ Fax: _____

Section 3. Generation Facility Information

System Type: Solar Wind Hydro Geothermal Biomass Fuel Cell
Micro turbine Energy Storage Device (circle all that apply)
Generator Rating (kW): _____ DC
Inverter Rating (kW): _____ AC

Describe Location of Accessible and Lockable Disconnect: _____

Inverter Manufacturer: _____ Inverter Model: _____
Inverter Location: _____ Inverter Power Rating: _____
Expected Capacity Factor: _____
Expected annual production of electrical energy (kWh) calculated using industry recognized simulation model (PVWatts, etc.): _____

Section 4. Installation Information

Attach a detailed electrical diagram of the Net-Metering Facility.
Installed by: _____
Qualifications/Credentials: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Installation Date: _____

Section 5. Certification

The system has been installed in compliance with the local Building/Electrical Code of _____ (City/County)

Signed (Inspector): _____ Date: _____

(In lieu of signature of inspector, a copy of the final inspection certificate may be attached.)

The system has been installed to my satisfaction and I have been given system warranty information and an operation manual, and have been instructed in the operation of the system.

Signed (Net Metering Customer): _____ Date: _____

Signed (Owner if different from Customer): _____ Date: _____

Section 6. E-mail Addresses for parties

Customer's e-mail address: _____

Owner's email address (if different from Customer): _____

Utility's e-mail address: _____

(To be provided by utility.)

Section 7. Utility Verification and Approval

Facility Interconnection Approved: _____ Date: _____

Metering Facility Verification by: _____ Verification Date: _____

II. INTERCONNECTION AGREEMENT TERMS AND CONDITIONS

This Interconnection Agreement for Net-Metering Facilities ("Agreement") is made and entered into this _____ day of _____, 20_____, by _____ ("Electric Utility") and _____ ("Customer"), a _____ (specify whether corporation or other) and _____ ("Owner"), a _____ (specify whether corporation or other), each hereinafter sometimes referred to individually as "Party" or collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

Section 1. The Net-Metering Facility

The Net-Metering Facility meets the requirements of Ark. Code Ann. § 23-18-603(8) and the Arkansas Public Service Commission's *Net-Metering Rules*.

Section 2. Governing Provisions

The Parties shall be subject to the provisions of Ark. Code Ann. § 23-18-604 and the terms and conditions set forth in this Agreement, the Commission's *Net-Metering Rules*, the Commission's *General Service Rules*, and the Electric Utility's applicable tariffs.

Section 3. Interruption or Reduction of Deliveries

The Electric Utility shall not be obligated to accept and may require Customer to interrupt or reduce deliveries when necessary in order to construct, install, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or if it reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices. Whenever possible, the Utility shall give the Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required. Notwithstanding any other provision of this Agreement, if at any time the Utility reasonably determines that either the facility may endanger the Electric Utility's personnel or other persons or property, or the continued operation of the Customer's facility may endanger the integrity or safety of the Utility's electric system, the Electric Utility shall have the right to disconnect and lock out the Customer's facility from the Electric Utility's electric system. The Customer's facility shall remain disconnected until such time as the Electric Utility is reasonably satisfied that the conditions referenced in this Section have been corrected.

Section 4. Interconnection

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

Electric Utility shall furnish and install a standard kilowatt hour meter. Customer shall provide and install a meter socket for the Electric Utility's meter and any related interconnection equipment per the Electric Utility's technical requirements, including safety and performance standards.

The customer shall submit a Standard Interconnection Agreement to the Electric Utility at least thirty (30) days prior to the date the customer intends to interconnect the Net-Metering Facilities to the utility's facilities. Part I, Standard Information, Sections 1 through 6 of the Standard Interconnection Agreement must be completed to be valid.

The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection Agreement. The Electric Utility shall provide a copy of the Standard Interconnection Agreement to the customer upon request.

Following submission of the Standard Interconnection Agreement by the customer, the utility shall review the plans of the facility and provide the results of its review to the customer, in writing, within 30 calendar days. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

If the Electric Utility's existing facilities are not adequate to interconnect with the Net-Metering Facility, the Customer shall pay the cost of additional or reconfigured facilities prior to the installation or reconfiguration of the facilities.

To prevent a Net-Metering Customer from back-feeding a de-energized line, the customer shall install a manual disconnect switch with lockout capability that is accessible to utility personnel at all hours. This requirement for a manual disconnect switch will be waived if the following three conditions are met: 1) The inverter equipment must be designed to shut down or disconnect and cannot be manually overridden by the customer upon loss of utility service; 2) The inverter must be warranted by the manufacturer to shut down or disconnect upon loss of utility service; and 3) The inverter must be properly installed and operated, and inspected and/or tested by utility personnel.

Customer, at customer's expense, shall meet all safety and performance standards established by local and national electrical codes including the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).

Customer, at customer's expense, shall meet all safety and performance standards adopted by the utility and filed with and approved by the Commission that are necessary to assure safe and reliable operation of the Net Metering Facility to the utility's system.

Customer shall not commence Parallel Operation of the Net-Metering Facility until the Net Metering Facility has been inspected and approved by the Electric Utility. Such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Electric Utility's approval to operate the Customer's Net-Metering Facility in parallel with the 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 the Customer's Net-Metering Facility.

Section 5. Modifications or Changes to the Net-Metering Facility Described in Part 1, Section 2

Prior to being made, the Customer shall notify the Electric Utility of, and the Electric Utility shall evaluate, any modifications or changes to the Net-Metering Facility described in Part 1, Standard Information, Section 2 of the Standard Interconnection Agreement for Net-Metering Facilities. The notice provided by the Customer shall provide detailed information describing the modifications or changes to the Utility in writing, including a revised Standard Interconnection Agreement for Net-Metering Facilities that clearly identifies the changes to be made. The Electric Utility shall review the proposed changes to the facility and provide the results of its evaluation to the Customer, in writing, within thirty (30) calendar days of receipt of the Customer's proposal. Any items that would prevent Parallel Operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

If the Customer makes such modification without the Electric Utility's prior written authorization and the execution of a new Standard Interconnection Agreement, the Electric Utility shall have the right to suspend Net-Metering service pursuant to the procedures in Section 6 of the Commission's General Service Rules.

A Net-Metering Facility shall not be modified or changed to generate electrical energy in excess of the amount necessary to offset all of the Net-Metering Customer requirements for electricity.

Section 6. Maintenance and Permits

The customer shall obtain any governmental authorizations and permits required for the construction and operation of the Net-Metering Facility and interconnection facilities. The Customer shall maintain the Net-Metering Facility and interconnection facilities in a safe and reliable manner and in conformance with all applicable laws and regulations.

Section 7. Access to Premises

The Electric Utility may enter the Customer's premises to inspect the Customer's protective devices and read or test the meter. The Electric Utility may disconnect the interconnection facilities without notice if the Electric Utility reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, or the Electric Utility's facilities, or property of others from damage or interference caused by the Customer's facilities, or lack of properly operating protective devices.

Section 8. Indemnity and Liability

The following is Applicable to Agreements between the Electric Utility and to all Customers and Owners except the State of Arkansas and any entities thereof, local governments, and federal agencies:

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, maintenance or operations of, or the making of replacements,

additions or betterment to, or 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 be 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. Nothing in this paragraph shall be applicable to the Parties in any agreement entered into with the State of Arkansas or any entities thereof, or with local governmental entities or federal agencies. Furthermore, nothing in this Agreement shall be construed to waive the sovereign immunity of the State of Arkansas or any entities thereof. The Arkansas State Claims Commission has exclusive jurisdiction over claims against the state.

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 the Electric 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 the making of replacements, additions or betterment to, or by failure of, the Customer's facilities by the Customer or any other person or entity.

Section 9. Notices

The Net-Metering Customer shall notify the Electric Utility of any changes in the information provided herein.

All written notices shall be directed as follows:

Attention:

[Electric Utility Agent or Representative] [Electric Utility Name and Address]
[Electric Utility Email Address]

Attention:

[Customer]

Name: _____

Address: _____

City: _____

Email: _____

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

Section 10. Term of Agreement

The term of this Agreement shall be the same as the term of the otherwise applicable standard rate schedule. This Agreement shall remain in effect until modified or terminated in accordance with its terms or applicable regulations or laws.

Section 11. 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. The Customer and/or Owner shall not assign this Agreement or any part hereof without the prior written consent of the Electric Utility, and such unauthorized assignment may result in termination of this Agreement.

Section 12. Net-Metering Customer and Owner Certification

I hereby certify that all of the information provided in this Agreement is true and correct, to the best of my knowledge, and that I have read and understand the Terms and Conditions of this Agreement.

Signature (Customer): _____ Date: _____

Signature (Owner if different from Customer): _____ Date: _____

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

Dated this _____ day of _____, 20__.

Customer:

Electric Utility:

By: _____

By: _____

Title: _____

Title: _____

Mailing Address:

Mailing Address:

E-mail Address:

E-mail Address:

Third-Party Owner (if applicable):

By: _____

Title: _____

Mailing Address:

E-mail Address:

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Disclaimer

POSSIBLE FUTURE RULES OR RATE CHANGES, OR BOTH AFFECTING YOUR NET-METERING FACILITY

The following is a supplement to the Interconnection Agreement you signed with _____ [Electric Utility].

1. Electricity rates, basic charges, and service fees, set by [Electric Utility] and approved by the Arkansas Public Service Commission (Commission), are subject to change.
2. I understand that I will be responsible for paying any future increases to my electricity rates, basic charges, or service fees from [Electric Utility].
3. My Net-Metering System is subject to the current rates of [Electric Utility], and the rules and regulations of the Commission. The [Electric Utility] may change its rates in the future with approval of the Commission or the Commission may alter its rules and regulations, or both may happen. If either or both occurs, my system will be subject to those changes.

By signing below, you acknowledge that you have read and understand the above disclaimer.

Name (printed)

Signature (Customer)

Date