



**Electric Sample Form No. 79-1198-02**

Sheet 1

Interconnection Agreement for Net Energy Metering (NEM2) and  
Renewable Electrical Generating Facility Sized Greater than 1,000 kW

**Please Refer to Attached  
Sample Form**

(Continued)

*Advice* 6900-E  
*Decision*

*Issued by*  
**Meredith Allen**  
*Vice President, Regulatory Affairs*

|                   |                |
|-------------------|----------------|
| <i>Submitted</i>  | March 30, 2023 |
| <i>Effective</i>  | April 1, 2023  |
| <i>Resolution</i> |                |



# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

This *Interconnection Agreement for Net Energy Metering (NEM2) and Renewable Electrical Generating Facility Sized Greater than 1,000 kW* (Agreement)<sup>1</sup> is entered into by and between \_\_\_\_\_ (Customer-Generator), and Pacific Gas and Electric Company (PG&E), a California Corporation. Customer-Generator and PG&E are sometimes also referred to in this Agreement jointly as “Parties” or individually as “Party.” In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

## 1. SCOPE AND PURPOSE

This Agreement provides for Customer-Generator to interconnect and operate a Generating Facility in parallel with PG&E’s Electric System to serve the electrical loads connected to the electric service agreement ID number that PG&E uses to interconnect Customer-Generator’s Generating Facility. Customer-Generator’s Generating Facility is intended primarily to offset part or all of the Customer-Generator’s own electrical requirements. Consistent with, and in order to effectuate, the provisions of Sections 2827, and 2827.7 of the California Public Utilities Code and PG&E’s electric rate Schedule NEM2 (NEM2), Parties enter into this Agreement. This Agreement applies to the Customer-Generator’s Generating Facilities identified below with the specified characteristics and generating capacity, and does not allow interconnection or operation of facilities different than those described.

## 2. SUMMARY AND DESCRIPTION OF CUSTOMER-GENERATOR’S GENERATING FACILITY AND DESIGNATION OF OTHERWISE-APPLICABLE RATE SCHEDULE

- 2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Customer-Generator’s Generating Facility and loads are interconnected with PG&E’s Electric System, is attached to and made a part of this Agreement.
- 2.2 Generating Facility identification number: \_\_\_\_\_ (Assigned by PG&E).
- 2.3 Customer-Generator’s electric service agreement ID number: \_\_\_\_\_ (Assigned by PG&E).
- 2.4 Name and address used by PG&E to locate the electric service agreement ID number used to interconnect the Generating Facility with PG&E’s Electric System:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/Zip Code: \_\_\_\_\_

<sup>1</sup> Additional forms are available on PG&E’s website at <http://www.pge.com/gen>.



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- 2.5 The Gross Nameplate Rating of the Generating Facility is: \_\_\_\_\_ kW.
- 2.6 The Net Nameplate Rating of the Generating Facility is \_\_\_\_\_ kW.
- 2.7 The purpose of securing the Competition Transition Charge exemption available under Section 372 of the California Public Utilities Code (PUC), Producer hereby declares that the portion of the Generating Facility that is generating in a combined heat and power mode ☐ does / ☐ does not meet the requirements for Cogeneration as such term is used in Section 216.6 of the California Public Utilities Code.
- 2.8 Customer-Generator's otherwise-applicable rate schedule as of the execution of this Agreement \_\_\_\_\_.
- 2.9 The Generating Facility's expected date of Initial Operation is \_\_\_\_\_.  
The expected date of Initial Operation shall be within two years of the date of this Agreement.
- 2.10 The Producer certifies that their inverter-based Generating Facilities will upon receiving permission to operate from PG&E fully comply with Section Hh of Rule 21 that is in effect at the time the application is received, including configuration of protective settings and default settings, in accordance with the specifications therein.

Distribution Provider may require a field verification of the Customer-Generator's inverter. Customer-Generator further agrees to cooperate fully with any such request and make their inverter available to the Distribution Provider for such verification. Customer-Generator understands that in the event the inverter is not set in accordance with Section Hh of Rule 21, Customer-Generator will need to cease operation of generating facility until verification is confirmed by Distribution Provider.

(Solar Inverter models and firmware versions that comply with Rule 21 Section Hh can be found at <https://www.energy.ca.gov/programs-and-topics/topics/renewable-energy/solar-equipment-lists>.)

Verification of compliance with such requirements shall be provided by the Customer-Generator upon request by PG&E in accordance with PG&E's Electric Rule 21.

An "existing inverter" is defined as an inverter that is a component of an existing Generating Facility that meets one or more of the following conditions:

- (a) it is already approved by PG&E for interconnection prior to September 9, 2017
- (b) the Customer-Generator has submitted the interconnection application prior to September 9, 2017,
- (c) the Customer-Generator provides evidence of having applied for an electrical permit for the Generating Facility installation that is dated prior to September 9, 2017 and submitted a complete interconnection application<sup>2</sup> no later than March 31, 2018, or

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<sup>2</sup> A complete application consists all of the following without deficiencies:



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- (d) the Customer-Generator provides evidence of a final inspection clearance from the governmental authority having jurisdiction over the Generating Facility prior to September 9, 2017.

**All “existing inverters” are not required to be Smart Inverters and are only subject to Section H of Rule 21.** Customer-Generator replacing an “existing inverter” certifies it is being replaced with either:

- (i) inverter equipment that complies with Section Hh of Rule 21, (encouraged); or
- (ii) a conventional inverter that is of the same size and equivalent ability to that of the inverter being replaced, as allowed in Rule 21 Section H.3.d.ii.

### 3. DOCUMENTS INCLUDED AND DEFINED TERMS

- 3.1 This Agreement includes the following exhibits that are specifically incorporated herein and made a part of this Agreement.

- Attachment A Additional Terms and Conditions for Projects Requiring Interconnection Facilities and/or Upgrades to PG&E’s Distribution and/or Transmission System
- Attachment B Final Study Report Including Description and Costs of the Generating Facility, Interconnection Facilities, Metering Equipment, Distribution and/or Network Upgrades
- Attachment C PG&E’s Agreement for Installation of Allocation of Special Facilities for Parallel Operation of Nonutility-Owned Generation and/or Electrical Standby Service (Form 79-280) (Special Facility Agreement), if applicable, (Formed by the Parties).
- Attachment D NEM2V or NEM2VMSH Storage (when applicable)
- Attachment E NEM2 Load Aggregation Customer-Generator Declaration Warranting NEM2 Aggregation Is Located on Same or Adjacent or Contiguous Property to Generator Parcel (when applicable)
- Attachment F Addendum for Net Energy Metering Multiple Tariff (when applicable)
- Attachment G Producer’s Warranty that the Generating Facility is a “Cogeneration Facility” Pursuant to Section 216.6 of the California Public Utilities Code (when applicable)

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- 1. A completed Interconnection Application including all supporting documents and required payments,
  - 2. A completed signed Interconnection Agreement,
  - 3. Evidence of the Customer-Generator final inspection clearance from the governmental authority having jurisdiction over the generating system.



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- Attachment H Producer's Warranty that the Generating Facility is an Eligible Biogas Electrical Generating Facility Pursuant to Section 2827.9 of the California Public Utilities Code (when applicable)
- Attachment I Schedule NEM2 Customer-Generator Warranty that it Meets the Requirements for an Eligible Customer-Generator and is an Eligible Renewable Electrical Generation Facility Pursuant to Section 2827.1 of the California Public Utilities Code (when applicable)
- Attachment J Operating Requirements for Energy Storage Device(s) (when applicable)
- Attachment K NEMFC Customer Agreement Starting January 1, 2017 Until California Air Resources Board Emission Standard is Established (when applicable)

In addition, PG&E Electric Tariff Rules and Rates, including but not limited to Electric Rules 2, 14, 15, 16, and 21, Schedule NEM2, and Customer-Generator's otherwise-applicable rate schedule, available at PG&E's website at [www.pge.com](http://www.pge.com) or by request, are specifically incorporated herein and made part of this Agreement.

- 3.2 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement or in PG&E's Electric Rule 21, Section C.

#### 4. CUSTOMER BILLING AND PAYMENT

Customer-Generator initially selected Pacific Gas and Electric Company's electric rate schedule referenced in Section 2.7 of this Agreement as its otherwise-applicable rate schedule. Customer-Generator understands that they will be billed according to the otherwise-applicable rate schedule and Schedule NEM2.

#### 5. TERM AND TERMINATION

- 5.1 This Agreement shall become effective as of the last date entered in Section 17 below. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:
- (a) The Parties agree in writing to terminate the Agreement.
  - (b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the electric service agreement ID number through which Customer-Generator's Generating Facility is interconnected to PG&E is closed or terminated.
  - (c) At 12:01 A.M. on the 61<sup>st</sup> day after Customer-Generator or PG&E provides written Notice pursuant to Section 10 below to the other Party of Customer-Generator's or PG&E's intent to terminate this Agreement.
- 5.2 Customer-Generator may elect to terminate this Agreement pursuant to the terms of Section 5.1(c) for any reason. PG&E may elect to terminate this Agreement pursuant to the terms of Section 5.1(c) for one or more of the following reasons:
- (a) A change in applicable rules, tariffs, or regulations, as approved or directed by the Commission, or a change in any local, state or federal law, statute or regulation, either



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of which materially alters or otherwise affects PG&E's ability or obligation to perform PG&E's duties under this Agreement; or,

- (b) Customer-Generator fails to take all corrective actions specified in PG&E's Notice that Customer-Generator's Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or,
- (c) Customer-Generator abandons the Generating Facility. PG&E shall deem the Generating Facility to be abandoned if PG&E determines, in its sole opinion, the Generating Facility is nonoperational and Customer-Generator does not provide a substantive response to PG&E Notice of its intent to terminate this Agreement as a result of Customer-Generator's apparent abandonment of the Generating Facility affirming Customer-Generator's intent and ability to continue to operate the Generating Facility; or,
- (d) Customer-Generator's Generating Facility ceases to meet all applicable safety and performance standards set out in Section 6.

5.3 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application to terminate this Agreement.

5.4 Any agreements attached to and incorporated into this Agreement shall terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

### 6. GENERATING FACILITY REQUIREMENTS

6.1 Customer-Generator's Generating Facility must meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Commission regarding safety and reliability including Rule 21.

6.2 Customer-Generator shall: (a) 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, Section 6.1, and (b) obtain any governmental authorizations and permits required for the construction and operation of the Generating Facility and Interconnection Facilities. Customer-Generator shall reimburse PG&E for any and all losses, damages, claims, penalties, or liability it incurs as a result of Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Customer-Generator's Generating Facility.

6.3 Customer-Generator shall not commence parallel operation of the Generating Facility until PG&E has provided express written approval. Such approval shall normally be provided no later than thirty (30) business days following PG&E's receipt of: (1) a completed *Generating Facility Interconnection Application for Non-Export or Certain Net Energy Metered Generating Facilities* (Form 79-1174-02), including all supporting documents and payments as described in the Application; (2) a signed and completed *Interconnection Agreement for Net Energy Metering (NEM2) and Renewable Generating Facility Sized Greater than 1,000 kW* (Form 79-1198-02); and (3) a copy of the Customer-Generator's final inspection clearance from the governmental authority having jurisdiction over the Generating Facility. Such approval shall not be unreasonably withheld. PG&E shall have the right to have representatives present at the Commissioning Test as defined in Rule 21.



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Customer-Generator shall notify PG&E at least five (5) business days prior to the initial testing.

- 6.4 In order to promote the safety and reliability of the customer Generating Facility, the Customer-Generator certifies that as a part of this interconnection request for NEM2, that all major solar system components are on the verified equipment list maintained by the California Energy Commission and certifies that other equipment, as determined by PG&E, has safety certification from a nationally recognized testing laboratory.
- 6.5 Customer-Generator certifies as a part of this interconnection request for NEM2 that
- (i) a warranty of at least 10 years has been provided on all equipment and on its installation, or
  - (ii) a 10-year service warranty or executed "agreement" has been provided ensuring proper maintenance and continued system performance.
- 6.6 Customers on this tariff must pay for the interconnection of their Generation Facilities as provided in Electric Rule 21, pursuant to Decision 16-01-044.

### **7. LIMITATION OF LIABILITY**

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

### **8. INSURANCE**

Customer-Generator Facility is required to comply with standards and rules set forth in Section 6 and provide the following for insurance policies in place.

Customer-Generator shall furnish the required certificates and all endorsements to PG&E prior to Parallel Operation.

The certificate shall provide thirty (30) calendar days' written notice to PG&E prior to cancellation, termination, alteration, or material change of such insurance.

PG&E shall have the right to inspect or obtain a copy of the original policy or policies of insurance.

- 8.1 If at any time during this agreement the Customer-Generator fails to meet the requirements in Section 6 and is not self-insured under Section 8.3, the following insurance shall apply:

Customer-Generator shall procure and maintain a commercial general liability insurance policy at least as broad as the Insurance Services Office (ISO) commercial general liability coverage "occurrence" form; or, if Customer-Generator is an individual, then liability coverage with respect to premises and use at least as broad as the ISO homeowners' or personal liability Insurance occurrence policy form, or substitute, providing equivalent coverage no less than the following limits, based on generator size:



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- (a) Two million dollars (\$2,000,000) for each occurrence if the Gross Nameplate Rating of the Generating Facility is greater than one hundred (100) kW; or One million dollars (\$1,000,000) for each occurrence if the Gross Nameplate Rating of the Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; or
- (b) Five hundred thousand dollars (\$500,000) for each occurrence if the Gross Nameplate Rating of the Generating Facility is twenty (20) kW or less;
- (c) Two hundred thousand dollars (\$200,000) for each occurrence if the Gross Nameplate Rating of the Generating Facility is ten (10) kW or less and the Generating Facility is connected to an account receiving residential service from PG&E.

The insurance shall, by endorsement:

- (a) Add PG&E as an additional insured;
  - (b) State that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by PG&E.
  - (c) Contain a severability of interest clause or cross-liability clause.
- 8.2 If Customer-Generator's Generating Facility is connected to an account receiving residential service from PG&E and the requirement of Section 8.1 prevents Customer-Generator from obtaining the insurance required in this Section, then upon Customer-Generator's written Notice to PG&E in accordance with Section 10.1, the requirements of Section 8.1 may be waived.
- 8.3 Customer-Generator may self-insure with approval from PG&E. Evidence of an acceptable plan to self-insure, at least thirty (30) calendar days' prior to operations shall be submitted. Customer-Generators such as state agencies that self-insure under this section are exempt from Section 9.1.

If Customer-Generator ceases to self-insure to the level required hereunder, or if Customer-Generator is unable to provide continuing evidence of Customer-Generator's ability to self-insure, Customer-Generator agrees to immediately obtain the coverage required under agreement.

- 8.4 All required certificates, endorsements or letters of self-insurance shall be issued and submitted via email to the following:

Pacific Gas and Electric Company  
Attn: Insurance Department  
300 Lakeside Drive, Suite 210  
Oakland, CA 94612



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## 9. INDEMNITY FOR FAILURE TO COMPLY WITH INSURANCE PROVISIONS

- 9.1 If Customer-Generator fails to comply with the insurance provisions of this Agreement, Customer-Generator shall, at its own cost, defend, save harmless and indemnify PG&E, its directors, officers, employees, agents, assignees, and successors in interest from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including attorney's fees and other costs of litigation) resulting from the death or injury to any person or damage to any property, including the personnel and property of the utility, to the extent that the utility would have been protected had Customer-Generator complied with all such insurance provisions. The inclusion of this Section 9.1 is not intended to create any expressed or implied right in Customer-Generator to elect not to provide any such required insurance.
- 9.2 The provisions of this Section 9 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance policy.

## 10. NOTICES

- 10.1 Any written notice, demand, or request required or authorized in connection with this Agreement (Notice) shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to PG&E: Pacific Gas and Electric Company  
Attention: Electric Grid Interconnection – Contract Management  
300 Lakeside Drive, Suite 210  
Oakland, CA 94612  
Email: [EGIContractMgmt@pge.com](mailto:EGIContractMgmt@pge.com)

If to Customer-Generator:

Customer-Generator Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Phone: (\_\_\_\_) \_\_\_\_\_  
FAX: (\_\_\_\_) \_\_\_\_\_

- 10.2 A Party may change its address for Notices at any time by providing the other Party notice of the change in accordance with Section 10.1.
- 10.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party's Notice to the other.

## 11. REVIEW OF RECORDS AND DATA

- 11.1 PG&E shall have the right to review and obtain copies of Customer-Generator's operations



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and maintenance records, logs, or other information such as Generating Facility availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Customer-Generator's Generating Facility or its interconnection to PG&E.

- 11.2 Customer-Generator authorizes to release to the California Energy Commission (CEC) information regarding Customer-Generator's facility, including customer name and Generating Facility location, size, and operational characteristics, as requested from time to time pursuant to the CEC's rules and regulations.

### **12. ASSIGNMENT**

Customer-Generator shall not voluntarily assign its rights nor delegate its duties under this Agreement without PG&E's written consent. Any assignment or delegation Customer-Generator makes without PG&E's written consent shall not be valid. PG&E shall not unreasonably withhold its consent to Customer-Generator's assignment of this Agreement.

### **13. NON-WAIVER**

None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

### **14. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF PG&E's TARIFF SCHEDULES AND RULES**

- 14.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 14.2 This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.
- 14.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the Tariff Schedules and Rules applicable to the electric service provided by PG&E, which Tariff Schedules and Rules are hereby incorporated into this Agreement by this reference.
- 14.4 Notwithstanding any other provisions of this Agreement, PG&E shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, tariff or rule or any agreement relating thereto.

### **15. AMENDMENT AND MODIFICATION**

This Agreement can only be amended or modified by a writing signed by both Parties.



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## 16. ENTIRE AGREEMENT

This Agreement, including any incorporated Tariff Schedules and Rules, contains the entire Agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement or in the incorporated Tariff Schedules and Rules.

## 17. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

|                                      | <u>PACIFIC GAS AND ELECTRIC COMPANY</u> |
|--------------------------------------|---|
| _____<br>(Customer Generator's Name) |   |
| _____<br>(Signature)                 | _____<br>(Signature)                    |
| _____<br>(Print Name)                | _____<br>(Print Name)                   |
| _____<br>(Title)                     | _____<br>(Title)                        |
| _____<br>(Date)                      | _____<br>(Date)                         |



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## ATTACHMENT A

### Additional Terms and Conditions for Projects Requiring Interconnection Facilities and/or Upgrades to PG&E's Distribution and/or Transmission System

#### **Section 1. Cost Responsibility for Interconnection Facilities and Distribution Upgrades**

##### **1.1. Interconnection Facilities**

1.1.1. The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment B of this Agreement. The Distribution Provider shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Distribution Provider.

1.1.2. The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing the Distribution Provider's Interconnection Facilities.

1.1.3. If the provisions of PG&E's Rule 21, or any other tariff or rule approved by the Commission, requires PG&E to own and operate a portion of the Interconnection Facilities, Producer and PG&E shall promptly execute a Special Facilities Agreement that establishes and allocates responsibility for the design, installation, operation, maintenance, and ownership of the Interconnection Facilities. This Special Facilities Agreement shall be attached to and made a part of this Agreement as Attachment D.

##### **1.2. Distribution Upgrades**

The Distribution Provider shall design, procure, construct, install, and own the Distribution Upgrades described in a Special Facilities Agreement attached to and made a part of this Agreement as Attachment D. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

#### **Section 2. Cost Responsibility for Network Upgrades**

##### **2.1. Applicability**

No portion of this Section 2 shall apply unless the interconnection of the Generating Facility requires Network Upgrades.

##### **2.2. Network Upgrades**

The Distribution Provider or the Distribution Owner shall design, procure, construct, install, and own the Network Upgrades described in Attachment B of this Agreement. If the Distribution Provider and the Interconnection Customer agree, the Interconnection Customer may construct Network Upgrades that are located on land owned by the Interconnection Customer. Unless the Distribution Provider elects to pay for Network



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Upgrades, the cost of the Network Upgrades, including overheads, shall be borne by the Interconnection Customer unless Section 2.2.1 directs otherwise.

### **2.2.1. Repayment of Amounts Advanced for Network Upgrades**

To the extent that the CAISO Tariff provides for cash repayment to interconnection customers for contribution to the cost of Network Upgrades, the Interconnection Customer shall be entitled to a cash repayment, equal to the total amount paid to the Distribution Provider and Affected System operator, if any, for Network Upgrades, including any tax gross-up or other tax-related payments associated with the Network Upgrades, and not otherwise refunded to the Interconnection Customer, to be paid to the Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under the Distribution Provider's Tariff and Affected System's Tariff for transmission services with respect to the Generating Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. The Interconnection Customer may assign such repayment rights to any person. To the extent that the CAISO Tariff does not provide for cash repayment to interconnection customers for contribution to the cost of Network Upgrades, Interconnection Customer is not entitled to a cash repayment for amounts paid to the Distribution Provider and Affected System operator for Network Upgrades, and no cash repayment shall be made pursuant to this Agreement.

2.2.1.1. If the Interconnection Customer is entitled to a cash repayment pursuant to Section 2.2.1, the Interconnection Customer, the Distribution Provider, and any applicable Affected System operators may adopt any alternative payment schedule that is mutually agreeable so long as the Distribution Provider and said Affected System operators take one of the following actions no later than five years from the Commercial Operation Date: (1) return to the Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that the Distribution Provider or any applicable Affected System operators will continue to provide payments to the Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the commercial operation date.

2.2.1.2. If the Generating Facility fails to achieve commercial operation, but it

or another generating facility is later constructed and requires use of the Network Upgrades, the Distribution Provider and Affected System operator shall at that time reimburse the Interconnection Customer for the amounts advanced for the Network Upgrades if the Interconnection Customer is entitled to a cash repayment pursuant to Section 2.2.1. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.



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## **2.3. Rights Under Other Agreements**

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Generating Facility.

## **Section 3. Taxes**

### **3.1. Applicable Tax Laws and Regulation**

The Parties agree to follow all applicable tax laws and regulations, consistent with CPUC policy and Internal Revenue Service requirements.

3.1.1 In the application of IRS Notice 2016-36, any Income Tax Component of Contribution (ITCC) for Interconnection Facilities, Distribution Upgrades and Network Upgrades (based on the enclosed estimates) will be billed to the Interconnection Customer and collected by the Distribution Provider.

### **3.2. Maintenance of Tax Status**

Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Distribution Provider's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

## **Section 4. Environmental Releases**

Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

## **Section 5. Subcontractors**

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

5.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no



## **INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW**

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subcontract had been made; provided, however, that in no event shall the Distribution Provider be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

- 5.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.



# **INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW**

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## **ATTACHMENT B**

### **Final Study Report Including Description and Costs of the Generating Facility, Interconnection Facilities, Metering Equipment, Distribution and/or Network Upgrades**

Final study report includes equipment, including the Generating Facility, Interconnection Facilities, and metering equipment itemized and identified as being owned by the Interconnection Customer, the Distribution Provider, or the Distribution Owner. The Distribution Provider will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment. Additionally, NEM program specific information relating to the Interconnection Customer's Generating Facility and any associated arrangements (i.e. NEM2, NEM2A, NEM2MT, NEM2V, NEM2VMSH (1 SDP), and NEMVMSH (DEV)) will be set forth in this attachment.

Final study report includes description of Upgrades and provides an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades. The Distribution Provider shall functionalize Upgrade costs and annual expenses as either transmission or distribution related.



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**INTERCONNECTION AGREEMENT FOR NET  
ENERGY METERING (NEM2) AND RENEWABLE  
ELECTRICAL GENERATING FACILITY SIZED  
GREATER THAN 1,000 kW**

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**ATTACHMENT C**

Rule 21 Special Facilities Agreement  
(Formed by the Parties)



**INTERCONNECTION AGREEMENT FOR NET  
ENERGY METERING (NEM2) AND RENEWABLE  
ELECTRICAL GENERATING FACILITY SIZED  
GREATER THAN 1,000 kW**

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**ATTACHMENT D**

**NEM2V or NEM2VMSH Storage  
(when applicable)**

Applicants adding storage pursuant to Schedules NEM2V or NEM2VMSH under the Special Condition for storage must include proper documentation per PG&E's Distribution Interconnection Handbook (DIH).



# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

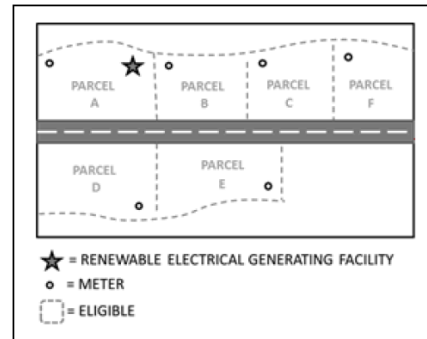
## ATTACHMENT E

### NEM Load Aggregation Customer-Generator Declaration Warranting NEM2 Aggregation Is Located on Same or Adjacent or Contiguous Property to Generator Parcel (when applicable)

In accordance with Schedule NEM2, I, Customer-Generator represent and warrant under penalty of perjury that:

1. The total annual output in kWh of the generator is less than or equal to 100% of the annual aggregated electrical load in kWh of the meters associated with the generator account, including the load on the generating account itself (before being offset by the generator); and
2. Each of the aggregated account meters associated with this NEM2 generator account are located either:
  - a. on the property where the renewable electrical generation facility is located, or
  - b. are located within an unbroken chain of contiguous parcels that are all solely owned, leased or rented by the customer-generator. For purposes of Load Aggregation, parcels that are divided by a street, highway, or public thoroughfare are considered contiguous, provided they are within an unbroken chain of otherwise contiguous parcels that are all solely owned leased or rented by the customer-generator.

For example, assume there are five parcels (A, B, C, D, E, and F) that form a cluster of contiguous parcels and D and E are separated from A, B, C and F by a street, highway, or public thoroughfare. For the purposes of participating in Load Aggregation, all five parcels are considered contiguous, provided they are otherwise contiguous and all are solely owned, leased or rented by the customer-generator. Refer to the diagram at left (for illustrative purposes only.)



3. PG&E reserves the right to request a parcel map to confirm the property meets the requirements of item 2 above; and
4. Customer-Generator agrees to notify PG&E if there is any change of status that makes any of the participating meters ineligible for meter aggregation to ensure that only eligible meters are participating; PG&E will require an updated Attachment and Declaration form; and
5. Upon request by PG&E, I agree to provide documentation that all aggregated meters meet the requirements of Rate Schedule NEM2 Special Condition 6 including but not limited to parcel maps and ownership records.

\_\_\_\_\_  
Customer Generator's Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Type/Print Name

\_\_\_\_\_  
Title

# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

## ATTACHMENT F

### Addendum for Net Energy Metering Multiple Tariff (when applicable)

This Addendum represents mutual agreement between PG&E and Customer to provide for an interim arrangement to accommodate interconnection under Interconnection Agreement for Net Energy Metering (NEM2) and Renewable Electrical Generating Facility Sized Greater Than 1,000 kW consistent with the multiple tariff treatment provided in PG&E Schedule NEM, Special Condition 4 (NEMMT). The Parties enter into this Addendum pursuant to Rule 21 Section H.1.f.

#### 1. MULTIPLE TARIFF GENERATING FACILITY DESCRIPTION

1.1. In addition to the requirements of Electric Rule 21 and the GIA, Customer will abide by the requirements in the interconnection and operation of its Generating Facility described below.

1.2. The Gross Nameplate Rating of the Generating Facility is:

1.2.1. Eligible Generator(s):

|                                |                                |  |                                |
|--------------------------------|--------------------------------|--|--------------------------------|
| Biomass                        | NEM1: _____kW<br>NEM2: _____kW | Digester gas   | NEM1: _____kW<br>NEM2: _____kW |
| Solar thermal                  | NEM1: _____kW<br>NEM2: _____kW | Municipal solid waste  | NEM1: _____kW<br>NEM2: _____kW |
| Photovoltaic                   | NEM1: _____kW<br>NEM2: _____kW | Landfill gas   | NEM1: _____kW<br>NEM2: _____kW |
| Wind                           | NEM1: _____kW<br>NEM2: _____kW | Ocean wave   | NEM1: _____kW<br>NEM2: _____kW |
| Geothermal                     | NEM1: _____kW<br>NEM2: _____kW | Ocean thermal  | NEM1: _____kW<br>NEM2: _____kW |
| Fuel cell                      | NEM1: _____kW<br>NEM2: _____kW | Tidal current  | NEM1: _____kW<br>NEM2: _____kW |
| Small hydroelectric generation | NEM1: _____kW<br>NEM2: _____kW | Storage/Batteries (NEM eligible only)<br>_____amp hours<br>_____ inverter kW | NEM1: _____kW<br>NEM2: _____kW |



# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

1.2.2. Non-Eligible Generator(s): \_\_\_\_\_ kW

1.2.3. Total Gross Nameplate Rating of the Generating Facility: \_\_\_\_\_ kW

1.3. The Net Nameplate Rating of the Generating Facility is:

1.3.1. Eligible Generator(s):

|                                |                                  |   |                                  |
|--------------------------------|----------------------------------|---|----------------------------------|
| Biomass                        | NEM1: _____ kW<br>NEM2: _____ kW | Digester gas  | NEM1: _____ kW<br>NEM2: _____ kW |
| Solar thermal                  | NEM1: _____ kW<br>NEM2: _____ kW | Municipal solid waste   | NEM1: _____ kW<br>NEM2: _____ kW |
| Photovoltaic                   | NEM1: _____ kW<br>NEM2: _____ kW | Landfill gas  | NEM1: _____ kW<br>NEM2: _____ kW |
| Wind                           | NEM1: _____ kW<br>NEM2: _____ kW | Ocean wave  | NEM1: _____ kW<br>NEM2: _____ kW |
| Geothermal                     | NEM1: _____ kW<br>NEM2: _____ kW | Ocean thermal   | NEM1: _____ kW<br>NEM2: _____ kW |
| Fuel cell                      | NEM1: _____ kW<br>NEM2: _____ kW | Tidal current   | NEM1: _____ kW<br>NEM2: _____ kW |
| Small hydroelectric generation | NEM1: _____ kW<br>NEM2: _____ kW | Storage/Batteries (NEM eligible only)<br>_____ amp hours<br>_____ inverter kW | NEM1: _____ kW<br>NEM2: _____ kW |

1.3.2. Non-Eligible Generator(s): \_\_\_\_\_ kW

1.3.3. Total Net Nameplate Rating of the Generating Facility: \_\_\_\_\_ kW



## INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

1.4. The maximum level of power that may be exported by the Generating Facility to PG&E's Electric System is expected to be:

|                                |                                  |   |                                  |
|--------------------------------|----------------------------------|---|----------------------------------|
| Biomass                        | NEM1: _____ kW<br>NEM2: _____ kW | Digester gas  | NEM1: _____ kW<br>NEM2: _____ kW |
| Solar thermal                  | NEM1: _____ kW<br>NEM2: _____ kW | Municipal solid waste   | NEM1: _____ kW<br>NEM2: _____ kW |
| Photovoltaic                   | NEM1: _____ kW<br>NEM2: _____ kW | Landfill gas  | NEM1: _____ kW<br>NEM2: _____ kW |
| Wind                           | NEM1: _____ kW<br>NEM2: _____ kW | Ocean wave  | NEM1: _____ kW<br>NEM2: _____ kW |
| Geothermal                     | NEM1: _____ kW<br>NEM2: _____ kW | Ocean thermal   | NEM1: _____ kW<br>NEM2: _____ kW |
| Fuel cell                      | NEM1: _____ kW<br>NEM2: _____ kW | Tidal current   | NEM1: _____ kW<br>NEM2: _____ kW |
| Small hydroelectric generation | NEM1: _____ kW<br>NEM2: _____ kW | Storage/Batteries (NEM eligible only)<br>_____ amp hours<br>_____ inverter kW | NEM1: _____ kW<br>NEM2: _____ kW |

1.4.1. Non-Eligible Generator(s): \_\_\_\_\_ kW

1.4.2. Total maximum level of power that may be exported by the Generating Facility:  
\_\_\_\_\_ kW

# **INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW**

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## **ATTACHMENT G**

### **Producer's Warranty that the Generating Facility is a "Cogeneration Facility" Pursuant to Section 216.6 of the California Public Utilities Code (when applicable)**

For the purpose of securing the Competition Transition Charge exemption available under Section 372 of the PU Code, Producer hereby declares that the Generating Facility meets the requirements for Cogeneration as such term is used in Section 216.6 of the PU Code (Cogeneration Requirements).

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, the Generating Facility shall continue to meet the Cogeneration Requirements. If Producer becomes aware that its Generating Facility has ceased to meet the Cogeneration Requirements, Producer shall promptly provide PG&E with Notice of such change pursuant to Section 9.1 of the Agreement. If at any time during the term of this Agreement PG&E determines in its reasonable discretion that Producer's Generating Facility may no longer meet the Cogeneration Requirements, PG&E may require Producer to provide evidence that the Generating Facility continues to meet the Cogeneration Requirements within 15 business days of PG&E's request for such evidence. Additionally, PG&E may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Producer to monitor the Generating Facility's compliance with the Cogeneration Requirements. If PG&E determines in its reasonable judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Cogeneration Requirements, then the Cogeneration status of the Generating Facility shall be deemed ineffective until such time as Producer again demonstrates to PG&E's reasonable satisfaction that the Generating Facility meets the requirements for a Cogeneration facility (the Cogeneration Status Change).

PG&E shall revise its records and the administration of this Agreement to reflect the Cogeneration Status Change and provide Notice to Producer of the Cogeneration Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Cogeneration Status Change. This date shall be the first day of the calendar year for which PG&E determines in its reasonable discretion that the Generating Facility first ceased to meet the Cogeneration Requirements. PG&E shall invoice the Producer's electric service account through which the Generating Facility is Interconnected with PG&E's Electric System for Competition Transition Charges (CTCs) that were not previously billed during the period between the effective date of the Status Change and the date of the Notice in reliance upon Producer's representations that the Generating Facility complied with the Cogeneration Requirements and therefore was eligible for the exemption from CTCs available under Section 372 of the PU Code.

Any amounts to be paid or refunded by Producer, as may be invoiced by PG&E pursuant to the terms of this warranty, shall be paid to PG&E within 30 days of Producer's receipt of such invoice.

# **INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW**

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## **ATTACHMENT H**

### **Producer's Warranty that the Generating Facility is an Eligible Biogas Electrical Generating Facility Pursuant to Section 2827.9 of the California Public Utilities Code (when applicable)**

Producer has declared that the Generating Facility meets the requirements for an Eligible Biogas Electrical Generating Facility, as defined in Section 2827.9 of the California Public Utilities Code (Eligibility Requirements).

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, its Generating Facility shall continue to meet the Eligibility Requirements. If Producer becomes aware that the Generating Facility has ceased to meet the Eligibility Requirements, Producer shall promptly provide PG&E with Notice of such change pursuant to Section 9.1 of the Agreement. If at any time during the term of this Agreement PG&E determines in its reasonable discretion that Producer's Generating Facility may no longer meet the Eligibility Requirements, PG&E may require Producer to provide evidence that the Generating Facility continues to meet the Eligibility Requirements within 15 business days of PG&E's request for such evidence. Additionally, PG&E may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Producer to monitor the Generating Facility's compliance with the Eligibility Requirements. If PG&E determines in its reasonable judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Eligibility Requirements, then the Distributed Energy Resources Generation status of the Generating Facility shall be deemed ineffective until such time as Producer again demonstrates to PG&E's reasonable satisfaction that the Generating Facility meets the requirements for a Distributed Energy Resources Generation facility (the Eligibility Status Change).

PG&E shall revise its records and the administration of this Agreement to reflect the Eligibility Status Change and provide Notice to Producer of the Eligibility Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Eligibility Status Change. This date shall be the first day of the calendar year for which PG&E determines in its reasonable discretion that the Generating Facility first ceased to meet the Eligibility Requirements. PG&E shall invoice the Producer for any tariff charges that were not previously billed during the period between the effective date of the Eligibility Status Change and the date of the Notice in reliance upon Producer's representations that the Generating Facility complied with the Eligibility Requirements and therefore was eligible for the rate treatment available under the Net Energy Metering provisions of PG&E's Schedule NEM-BIO, Experimental Biogas Net Energy Metering.

Any amounts to be paid or refunded by Producer, as may be invoiced by PG&E pursuant to the terms of this warranty, shall be paid to PG&E within 30 days of Producer's receipt of such invoice.

# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

## ATTACHMENT I

### Schedule NEM2 Customer-Generator Warranty that it Meets the Requirements for an Eligible Customer-Generator and is an Eligible Renewable Electrical Generation Facility Pursuant to Section 2827.1 of the California Public Utilities Code (when applicable)

(This Affidavit needs to be completed and submitted to PG&E by the Customer-Generator every time a new NEM2 interconnection agreement for a Renewable Electrical Generation Facility is executed or whenever there is a change in ownership of the Generating Facility).

Check Type of Renewable Electrical Generation Facility:

|   |  |   |
|---|--|---|
| <input type="checkbox"/> biomass                        | <input type="checkbox"/> geothermal    | <input type="checkbox"/> municipal solid waste                                      |
| <input type="checkbox"/> solar thermal                  | <input type="checkbox"/> fuel cell     | <input type="checkbox"/> landfill gas   |
| <input type="checkbox"/> small hydroelectric generation | <input type="checkbox"/> ocean wave    | <input type="checkbox"/> digester gas   |
| <input type="checkbox"/> ocean thermal                  | <input type="checkbox"/> tidal current | <input type="checkbox"/> Storage/Batteries<br>_____ amp hours<br>_____ inverter kWh |

NEM2 Customer-Generator (Customer) declares that:

- (1) It meets the requirements to be an “Eligible Customer-Generator” and it’s Generating Facility.
- (2) (a) meets the requirements of an “Renewable Electrical Generation Facility”, as defined in Section 2827(b)(5) of the California Public Utilities Code and  
(b) satisfies the definitions of the renewable resource for the Renewable Electrical Generation Facility in the latest version of the California Energy Commission’s (CEC’s) Renewables Portfolio Standard (RPS) Eligibility Guidebook and the Overall Program Guidebook. <sup>3</sup> (Eligibility Requirements).

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<sup>3</sup> The RPS Guidebooks can be found at: <https://www.energy.ca.gov/programs-and-topics/programs/renewables-portfolio-standard>



## INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

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Included in these eligibility requirements (check as applicable) pursuant to Public Utilities Code section 2827(b)(5) and Public Resource Code Section 25741 paragraph 1(a):

- ☐ If the Renewable Electrical Generation Facility is a fuel cell, or otherwise uses renewable biogas or otherwise, Eligible Customer-Generator warrants that the fuel cell is powered solely with renewable fuel.
- ☐ If the Renewable Electrical Generation Facility is a Small hydroelectric generating facility, customer warrants that it will not cause an adverse impact on instream beneficial uses, nor cause a change in the volume or timing of streamflow).

If the Customer uses biogas or a renewable fuel as the fuel for their Renewable Electrical Generation Facility:

- ☐ Eligible Customer-Generator warrants that the Renewable Electrical Generation Facility is powered solely with renewable fuel.

Eligible Customer-Generator warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, Eligible Customer-Generator and the Generating Facility shall continue to meet the Eligibility Requirements. If Eligible Customer-Generator or the Generating Facility ceases to meet the Eligibility Requirements, Eligible Customer-Generator shall promptly provide PG&E with Notice of such change pursuant to Section 11 of this Agreement. If at any time during the term of this Agreement PG&E determines, at its reasonable discretion, that Eligible Customer-Generator or Generating Facility may no longer meet the Eligibility Requirements, PG&E may require Eligible Customer-Generator to provide evidence, that Eligible Customer-Generator and/or Generating Facility continues to meet the Eligibility Requirements, within 20 business days of PG&E's request for such evidence. Additionally, PG&E may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Eligible Customer-Generator to monitor the Generating Facility's compliance with the Eligibility Requirements – PG&E will provide a minimum of 10 business days notice to the Eligible Customer-Generator should PG&E decide an inspection is required. If PG&E determines in its reasonable judgment that Eligible Customer-Generator either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Eligibility Requirements, then the Eligibility Status shall be deemed ineffective until such time as Eligible Customer-Generator again demonstrates to PG&E's reasonable satisfaction that Eligible Customer-Generator meets the requirements for an Eligible Customer-Generator and/or the Generating Facility meets the requirements for a Eligible electrical generating facility (the Eligibility Status Change).

PG&E shall revise its records and the administration of this Agreement to reflect the Eligibility Status Change and provide Notice to Eligible Customer-Generator of the Eligibility Status Change pursuant to Section 11 of this Agreement. Such Notice shall specify the effective date of the Eligibility Status Change. This date shall be the first day of the calendar year for which PG&E determines in its reasonable discretion that the Eligible Customer-Generator and/or Generating Facility first ceased to meet the Eligibility Requirements. PG&E shall invoice the Eligible Customer-Generator for any tariff charges that were not previously billed during the period between the effective date of the Eligibility Status Change and the date of the Notice in reliance upon Eligible Customer-Generator's representations that Eligible Customer-Generator and/or Generating Facility complied with the Eligibility Requirements and therefore was eligible for the rate treatment available under the Net Energy Metering provisions of PG&E's Schedule NEM2 Net Energy Metering Service for Eligible Customer-Generators.



## INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

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Any amounts to be paid or refunded by Eligible Customer-Generator, as may be invoiced by PG&E pursuant to the terms of this warranty, shall be paid to PG&E within 30 days of Eligible Customer-Generator's receipt of such invoice.

Unless otherwise ordered by the CPUC, this Agreement at all times shall be subject to such modifications as the CPUC may direct from time to time in the exercise of its jurisdiction.

I certify the above is true and correct,

Customer-Generator Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**INTERCONNECTION AGREEMENT FOR NET  
ENERGY METERING (NEM2) AND RENEWABLE  
ELECTRICAL GENERATING FACILITY SIZED  
GREATER THAN 1,000 kW**

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**ATTACHMENT J**

**Operating Requirements for Energy Storage Device(s)  
(when applicable)**

The following Operating Requirement(s) apply to the charging functions of the Generating Facility:

- ☐ Producer's storage device(s) will not consume power from Distribution Provider's Distribution System at any time.
- ☐ Producer's storage device(s) will not cause the Host Load to exceed its normal peak demand. Normal peak demand is defined as the highest amount of power required from the Distribution System by Producer's complete facilities without the influence or use of the energy storage device(s).
- ☐ To avoid upgrades or other technical mitigation items identified in the interconnection process, Producer has chosen the following Generating Facility operating constraint(s):

For the annual period between \_\_\_\_\_ [Month/Day] and \_\_\_\_\_ [Month/Day]

And during the hours of \_\_\_\_\_

The storage device(s) will consume no more than a total of \_\_\_\_ kW from the Distribution System.

This operating constraint voids the need for the following specific mitigation scope:

|  |
|--|
|  |
|  |
|  |
|  |
|  |
|  |

No other charging function limitation is required for this Generating Facility except the requirements above. Producer will be responsible for the costs of the corresponding upgrades or other technical mitigations if at any time the Producer elects to forego or violates the operating requirement.

Consistent with current load service Rules, Distribution Provider is not required to reserve capacity for load. Producer is responsible to contact the utility for any modification to its equipment or change in operations that may result in increased load demand per Electric Rule 3.C.

If any operating requirement is specified above, Distribution Provider reserves the right to ask for data at the 15-minute interval level at any time to verify that the operating requirement is being met. Distribution Provider will make such request via a written notice no more than once per calendar quarter. Producer must provide such data within 30 Calendar Days of the written request.

If the Generating Facility fails to adhere to the operating requirements at any time, it will be disconnected immediately in accordance with Rule 21 Section D.9 and not reconnected until an approved mitigation (e.g., supervising controls) is in place as determined by Distribution Provider.



# INTERCONNECTION AGREEMENT FOR NET ENERGY METERING (NEM2) AND RENEWABLE ELECTRICAL GENERATING FACILITY SIZED GREATER THAN 1,000 kW

## ATTACHMENT K

### NEMFC Customer Agreement Starting January 1, 2017 Until California Air Resources Board Emission Standard is Established (when applicable)

Starting January 1, 2017, Customer applying for Schedule NEMFC, as revised pursuant to Assembly Bill 1637 (2016), agree as follows:

That their Eligible Fuel Cell Electrical Generating Facility must meet the reduction in greenhouse gas emissions standard to be established as required by the California Public Utilities (PU) Code Section 2827.10.

Since the applicable standards are not yet released by the California Air Resources Board (ARB) and/or approved as may be needed by the California Public Utilities Commission (CPUC), Customer agrees and understands that their approval for participation in NEMFC is contingent on their system meeting the new standard within three months of when the new standard becomes available. Specifically, I, Customer, understand and agree that if my fuel cell generator does not meet the ARB emission standard I will not be eligible for NEMFC.

Specifically, I will be responsible for the following:

1. Payment of all interconnection costs, including fees, studies, system upgrades, and any other pertinent interconnection costs.
2. Payment of the following nonbypassable charges on all departed load served by the fuel cell installed at my premises including but not limited to,
  - a. Public Purpose Program Charges;
  - b. Nuclear Decommissioning;
  - c. Department of Water Resources Bond Charges; and
  - d. Competition Transition Charge;
  - e. Other charges that the CPUC determines are to be charged on departed load and for which there is no exception for fuel cells pursuant to Schedule E-DCG.
3. I understand that I may be required to take service on standby tariff pursuant to Schedule S and pursuant to PU Code Section 2827.10(f)(2)(A).
4. I further understand that I will not be eligible for Rate Schedule NEMFC and will no longer receive any credit for any exports to the grid.

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Date)