



Electric Sample Form No. 79-997 Sheet 1
Interconnection Agreement for Net Energy Metering of Biogas Digester Generating Facilities

**Please Refer to Attached
Sample Form**



INTERCONNECTION AGREEMENT FOR NET ENERGY METERING OF BIOGAS DIGESTER GENERATING FACILITIES

DISTRIBUTION:

REFERENCE:

- XXXX
- XXXX
- XXXX
- XXXX
- _____

This "Interconnection Agreement for Net Energy Metering of Qualifying Biogas Digester Generating Facilities" ("Agreement") is entered into by and between _____ ("Biogas Customer-Generator"), and Pacific Gas and Electric Company ("PG&E"), a California Corporation. Biogas 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 Biogas Customer-Generator to interconnect and operate an Eligible Biogas Digester Electrical Generating Facility in parallel with PG&E's Distribution System to serve the electrical loads connected to the electric service account that PG&E uses to interconnect Biogas Customer-Generator's Generating Facility. Biogas Customer-Generator's Generating Facility is intended primarily to offset part or all of the Biogas Customer-Generator's own electrical requirements. Consistent with, and in order to effectuate, the provisions of Section 2827.9 of the California Public Utilities Code and Pacific Gas and Electric Company's electric rate Schedule NEMBIO ("NEMBIO"), Parties enter into this Agreement. This Agreement applies to the Biogas 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 BIOGAS 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 Biogas Customer-Generator's Eligible Biogas Digester Electrical Generating Facility and loads are interconnected with PG&E's Distribution System, are attached to, and made a part of this Agreement. (This description is supplied by Biogas Customer-Generator as Appendix A).

2.2 Generating Facility identification number: _____ (Assigned by PG&E)

2.3 Biogas Customer-Generator's electric service account number: _____ (Assigned by PG&E)

2.4 Name and address used by PG&E to locate the electric service account used to interconnect the Eligible Biogas Digester Electrical Generating Facility with PG&E's Distribution System:

Name: _____

Address: _____

City/Zip Code: _____

† Information collected on this form is used in accordance with PG&E's Privacy Policy. The Privacy Policy is available at pge.com/privacy.

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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 expected annual energy production of the Generating Facility is _____ kWh.
- 2.8 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.
- 2.9 Biogas Customer-Generator's otherwise-applicable-rate schedule as of the execution of this Agreement is _____.

3. DOCUMENTS INCLUDED; DEFINED TERMS

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

Appendix A Description of Generating Facility and Single-Line Diagram (Supplied by Biogas Customer-Generator)

Appendix B A Copy of 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).

Appendix C List of qualifying accounts eligible for aggregation under Special Condition 2 of Schedule NEMBIO (if applicable).

In addition PG&E Electric Tariff Rules and Rates, including but not limited to Electric Rules 2, 14, 15, 16, and 21, Schedule NEMBIO, and Biogas Customer-Generator's otherwise applicable rate schedule, available at PG&E's web-site at 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 Rule 21, Section H, or in Schedule NEMBIO.

4. CUSTOMER BILLING AND PAYMENT OPTIONS

Biogas Customer-Generator initially selects Pacific Gas and Electric Company's electric rate schedule referenced in Section 2.9 of this Agreement as its otherwise-applicable rate schedule. Biogas Customer-Generator understands that they will be billed according to Schedule NEMBIO.

As provided under Special Condition 2 of Schedule NEMBIO, dairy operations may aggregate the electric load of other qualifying accounts. Exhibit C of this Agreement lists all accounts that qualify for this provision. Exhibit C may be modified from time to time by mutual consent of the Parties. Biogas Customer-Generator must provide PG&E with at least 60 days Notice pursuant to Section 11 of this Agreement, of proposed changes to Exhibit C.

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5. TERM AND TERMINATION

- 5.1 This Agreement shall become effective as of the last date entered in Section 18, below, which shall be no later than 12/31/06. 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 account through which Biogas Customer-Generator's Generating Facility is interconnected to PG&E's Distribution System is closed or terminated.
 - (c) At 12:01 A.M. on the 61st day after Biogas Customer-Generator or PG&E provides written Notice pursuant to Section 11 below to the other Party of Biogas Customer-Generator's or PG&E's intent to terminate this Agreement.
- 5.2 Biogas 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, and regulations, as approved or directed by the Commission, or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects PG&E's ability or obligation to perform PG&E's duties under this Agreement; or,
 - (b) Biogas Customer-Generator fails to take all corrective actions specified in PG&E's Notice that Biogas 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) Biogas Customer-Generator fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to January 1, 2007; or,
 - (d) Biogas 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 non-operational and Biogas Customer-Generator does not provide a substantive response to PG&E Notice of its intent to terminate this Agreement as a result of Biogas Customer-Generator's apparent abandonment of the Generating Facility affirming Biogas Customer-Generator's intent and ability to continue to operate the Generating Facility; or,
 - (e) Biogas Customer-Generators 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.

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- 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 Biogas Customer-Generator's generator 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 Public Utilities Commission regarding safety and reliability.
- 6.2 Biogas Customer-Generator shall: (a) maintain the 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 Facility and interconnection facilities. Biogas Customer-Generator shall reimburse Pacific Gas and Electric Company for any and all losses, damages, claims, penalties, or liability it incurs as a result of Biogas Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Biogas Customer-Generator's Facility.
- 6.3 Biogas Customer-Generator shall not commence parallel operation of the Facility until Pacific Gas and Electric Company has provided written approval to the Biogas Customer-Generator to do so. No such approval shall be provided until at least ten (10) working days following the utility's receipt of the inspection clearance of the governmental authority having jurisdiction. Such approval shall not be unreasonably withheld. Pacific Gas and Electric Company shall have the right to have representatives present at the initial testing of Biogas Customer-Generator's protective apparatus. Biogas Customer-Generator shall notify the utility five (5) working days prior to the initial testing.
- 6.4 The Biogas Customer-Generator warrants that they are the recipient of local, state, or federal funds; or they self-finance pilot projects designed to encourage the development of eligible biogas digester electrical generating facilities.

7. INTERCONNECTION FACILITIES

- 7.1 Biogas Customer-Generator and/or PG&E, as appropriate, shall provide Interconnection Facilities that adequately protect PG&E's Distribution System, personnel, and other persons from damage or injury, which may be caused by the operation of Biogas Customer-Generator's Generating Facility.
- 7.2 Biogas Customer-Generator shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Biogas Customer-Generator owns.
- 7.3 If the provisions of PG&E's Electric 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, Biogas Customer-Generator and PG&E shall promptly execute an Special Facilities Agreement that establishes and allocates responsibility for the design,

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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 Appendix B.

8. 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.

9. INSURANCE

9.1 In connection with Customer-Generator's performance of its duties and obligations under this Agreement, Customer-Generator shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

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

Such insurance shall include coverage for "Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations."

9.2 The general liability insurance required in this Section shall, by endorsement to the policy or policies, (a) include PG&E as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that PG&E shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days' written notice to PG&E prior to cancellation, termination, alteration, or material change of such insurance.

9.3 If Biogas Customer-Generator's Generating Facility is connected to an account receiving residential service from PG&E and the requirement of Section 9.2(a) prevents Biogas Customer-Generator from obtaining the insurance required in this

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Section, then upon Biogas Customer-Generator's written Notice to PG&E in accordance with Section 11.1, the requirements of Section 9.2(a) shall be waived.

- 9.4 Evidence of the insurance required in Section 9.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by PG&E.
- 9.5 Biogas Customer-Generator agrees to furnish the required certificates and endorsements to PG&E prior to Initial Operation. PG&E shall have the right to inspect or obtain a copy of the original policy or policies of insurance.
- 9.6 If Biogas Customer-Generator is self-insured with an established record of self-insurance, Biogas Customer-Generator may comply with the following in lieu of Section 9.2:
- (a) Biogas Customer-Generator shall provide to, PG&E, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 9.1.
 - (b) If Biogas Customer-Generator ceases to self-insure to the level required hereunder, or if Biogas Customer-Generator is unable to provide continuing evidence of Biogas Customer-Generator's ability to self-insure, Biogas Customer-Generator agrees to immediately obtain the coverage required under Section 9.1.
- 9.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:

Pacific Gas and Electric Company
Attention: Electric Grid Interconnection – Contract Management
P.O. Box 770000
Mail Code N7L
San Francisco, CA 94177
Email: EGContractMgmt@pge.com

10. INDEMNITY FOR FAILURE TO COMPLY WITH INSURANCE PROVISIONS

- 10.1 If Biogas Customer-Generator fails to comply with the insurance provisions of this Agreement, Biogas Customer-Generator shall, at its own cost, defend, save harmless and indemnify Pacific Gas and Electric Company, 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 Biogas Customer-Generator complied with all such insurance provisions. The inclusion of this Section 10.1 is not intended to create any expressed or implied right in Biogas Customer-Generator to elect not to provide any such required insurance.

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10.2 The provisions of this Section 10 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.

11. NOTICES

11.1 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
P.O. Box 770000
Mail Code N7L
San Francisco, CA 94177
Email: EGContractMgmt@pge.com

If to Biogas Customer-Generator:

Biogas Customer-Generator Name: _____
Address: _____
City: _____
Phone: (_____) _____
FAX: (_____) _____

11.2 A Party may change its address for Notices at any time by providing the other Party notice of the change in accordance with Section 11.1.

11.3 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.

12. REVIEW OF RECORDS AND DATA

12.1 PG&E shall have the right to review and obtain copies of Biogas Customer-Generator's operations and maintenance records, logs, or other information such as, Generation Unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Biogas Customer-Generator's Generating Facility or its interconnection with PG&E's Distribution System.

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

13. ASSIGNMENT

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Biogas 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 Biogas Customer-Generator makes without PG&E's written consent shall not be valid. PG&E shall not unreasonably withhold its consent to Biogas Customer-Generator's assignment of this Agreement.

14. 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.

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

15.1 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.

15.2 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.

15.3 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.

15.4 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.

16. AMENDMENT AND MODIFICATION

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

17. 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.

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18. SIGNATURES

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

This agreement is effective when accepted and executed by PG&E.

Biogas Customer Generator's Name	PACIFIC GAS AND ELECTRIC COMPANY
Authorized by (Print)	Authorized by (Print)
Signature	Signature
Title	Title
Date	Date

APPENDIX A

**DESCRIPTION OF GENERATING FACILITY
AND SINGLE-LINE DIAGRAM,
(Provided by Biogas Customer-Generator)**

**APPENDIX B
(If Applicable)**

**RULE 21 “SPECIAL FACILITIES” AGREEMENT
(Formed between the Parties)**

**APPENDIX C
(If Applicable)**

**LIST OF QUALIFYING ACCOUNTS ELIGIBLE FOR
AGGREGATION UNDER SPECIAL CONDITION 2 OF
SCHEDULE NEMBIO**

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DIGESTER GENERATING FACILITIES**

Customer Account No.

Address (Street, City, Zip Code)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Signature: (PG&E): _____ Date: _____

(Customer) _____ Date: _____

Date Completed:

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