



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

March 20, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
HIGH DESERT COMPLEX SOLAR PROJECT
CITY OF LANCASTER
APPROVE INTERCONNECTION AGREEMENTS WITH
SOUTHERN CALIFORNIA EDISON COMPANY
CAPITAL PROJECT NO. 67940; SPECS. 7147
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of the recommended action will approve and delegate the authority to the Chief Executive Officer to enter into and execute a Net Energy Metering and Generating Facility Interconnection Agreement with Southern California Edison Company for each of the two 1-megawatt solar photovoltaic plants that will partially serve the Mira Loma Detention Center and the Challenger Memorial Youth Center.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and delegate the authority to the Chief Executive Officer to execute the Net Energy Metering and Generating Facility Interconnection Agreements with Southern California Edison Company for each of the two 1-megawatt solar photovoltaic plants that will serve the Mira Loma Detention Center and Challenger Memorial Youth Center.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

30 March 20, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

"To Enrich Lives Through Effective And Caring Service"

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The Honorable Board of Supervisors
March 20, 2012
Page 2

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended action will approve and delegate authority to the Chief Executive Officer to execute the attached Net Energy Metering and Generating Facility Interconnection Agreements (Interconnection Agreements) with Southern California Edison Company (Edison) for each of the two 1-megawatt (MW) solar photovoltaic (PV) plants that will serve the Mira Loma Detention Center (MLDC) and the Challenger Memorial Youth Center (CMYC) both located in the City of Lancaster.

On August 23, 2011, your Board awarded design-build and operations and maintenance energy service contracts to SunPower Corporation, Systems for the construction of two 1-MW solar PV plants. The Project will generate electricity that will be fed to the power grid. The solar electricity fed to the grid will offset an equal amount of usage by the MLDC and CMYC facilities.

Based on the sizing of the system of 1-MW at each facility and a 25-year life, it is estimated that with the reduced utility costs and the California Solar Initiative (CSI), which provides incentives for solar energy systems (up to 1 MW), a total combined electric utility cost avoidance of about \$21.4 million for the two facilities and \$5.0 million in CSI incentive payments would be realized over its lifetime.

The Interconnection Agreements are Edison's "form contracts" that Edison customers are required to execute in order to connect generating facilities to Edison's power grid. The County of Los Angeles (County) execution of the Interconnection Agreements is a precondition to Edison's final inspection of the PV plants, as well as to connecting the County's plants to the Edison grid (through the Edison meters at MLDC and CMYC).

The Interconnection Agreements have been reviewed by County Counsel. Execution of the Interconnection Agreements will not impact the operation of the PV plants, will ensure timely completion of the Project, and will maintain the County's eligibility to receiving CSI incentive payments when the plants become operational.

Green Building/Sustainable Design Program

The installation of the solar plant will further your Board's Green Building/Sustainable Design Program by reducing the amount of electricity the County consumes from polluting sources. The installation of the plants will reduce the County's carbon footprint by substituting clean solar energy for coal and gas-generated power supplied by Edison through the electricity grid. The development of the plant will help further develop and support the growing solar industry in the County.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by maximizing the effectiveness of the County's processes, structure, and operations to support the timely delivery of customer-oriented and efficient public services. This Project will help achieve this goal as it is an investment in public infrastructure that will serve two Antelope Valley County facilities by reducing the use of hydrocarbons being used to generate electricity.

FISCAL IMPACT/FINANCING

There is no cost impact associated with the execution of the Interconnection Agreements.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Interconnection Agreements have been reviewed by County Counsel.

The indemnity language contained in the Interconnection Agreements differs from the County's standard indemnity language; however, the indemnity language is mutual, such that the County and Edison agree to indemnify one another on reciprocal terms and conditions. Each party agrees to defend and indemnify the other party against claims arising out of or in connection with the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection, or ownership of its own facilities and/or due to the making of replacements, additions, betterments to, or reconstruction of its own facilities. The indemnity obligation applies notwithstanding the active or passive negligence of the party being indemnified. However, neither party is indemnified for any loss, liability, damage, claim, charge, demand, or expense resulting from its sole negligence or willful misconduct. The Department of Public Works (Public Works) has reviewed SunPower Corporation, Systems design for the High Desert Complex Solar project, and finds that it contains sufficient safeguards to protect both the County's and Edison's equipment from overcurrent.

ENVIRONMENTAL DOCUMENTATION

On August 23, 2011, your Board adopted a Mitigated Negative Declaration prepared for the Project in compliance with the California Environmental Quality Act (CEQA). Public Works filed a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code.

The Honorable Board of Supervisors
March 20, 2012
Page 4

Execution of the Interconnection Agreements is not subject to the CEQA, as it can be seen with certainty that the execution of these Interconnection Agreements will not have an impact on the environment.

CONTRACTING PROCESS

Execution of the Interconnection Agreements with Edison is required prior to Edison's final inspection of the PV plants, and is a precondition to connecting the plants to the grid through the Edison meters at MLDC and CMYC.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects during the performance of the recommended services.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; and the Department of Public Works, Project Management Division II.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
SW:PB:cvb

Attachment

c: Executive Office, Board of Supervisors
Auditor-Controller
County Counsel
Arts Commission
Public Works

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

This Net Energy Metering and Generating Facility Interconnection Agreement ("Agreement") is entered into by and between Los Angeles County ("Customer"), and Southern California Edison Company ("SCE"), sometimes also referred to herein jointly as "Parties" or individually as "Party."

1. **APPLICABILITY**

This Agreement is applicable only to customers who satisfy all requirements of the definition of an Eligible Customer-Generator set forth in Section 2827(b)(4) of the California Public Utilities Code.

2. **SUMMARY OF GENERATING FACILITY AND CUSTOMER ACCOUNT**

- 2.1 Generating Facility Identification Number: _____
- 2.2 Customer Meter Number: V349N015973
- 2.3 Customer Service Account Number: 3 - 0 0 3 - 7 1 4 1 - 9 4
- 2.4 Applicable Rate Schedule: TOU-8B
- 2.5 Generating Facility Location: 5300 W Avenue I PLCE
Lancaster CA 93536

2.5.1 This Agreement is applicable only to the Generating Facility described below and installed at the above location. The Generating Facility may not be relocated or connected to SCE's system at any other location without SCE's express written permission.

- 2.6 Generating Facility Technology (Solar, Wind or Hybrid): Solar
- 2.7 Generating Facility Nameplate Rating (kW): 1,000
- 2.8 Estimated monthly energy production of Generating Facility (kWh): _____

3. **GENERATING FACILITY INTERCONNECTION AND DESIGN REQUIREMENTS:**

- 3.1 Customer shall be responsible for the design, installation, operation, and maintenance of the Generating Facility and shall obtain and maintain any required governmental authorizations and/or permits.
- 3.2 The Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as Underwriters Laboratories ("UL"), and, where applicable, rules of the California Public Utilities Commission ("Commission") regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929, UL Standard 1741 and SCE's Rule 21 – Generating Facility Interconnection.
- 3.3 Customer shall not commence parallel operation of the Generating Facility until written approval has been provided to it by SCE. SCE shall provide such written approval within ten (10) working days from SCE's receipt of a copy of the final inspection or approval of the Generating Facility which has been issued by the governmental authority having jurisdiction to inspect and approve the installation. Such approval shall not be unreasonably withheld.
- 3.4 SCE shall have the right to have its representatives present at the final inspection made by the governmental authority having jurisdiction to inspect and approve the installation of the Generating Facility.
- 3.5 Customer shall not add generation capacity in excess of the Nameplate Rating set forth in Section 2.7 of this Agreement, or otherwise modify the Generating Facility without the prior written permission of SCE.

4. **METERING AND BILLING:**

Metering requirements and billing procedures shall be set forth in the SCE and/or Energy Service Provider's

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

5. DISCONNECTION, INTERRUPTION OR REDUCTION OF DELIVERIES:

- 5.1 SCE may require Customer to interrupt or reduce the output of its Generating Facility under the following circumstances:
- (a) Whenever SCE deems it necessary in its sole judgment, to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its electric system; or
 - (b) Whenever SCE determines in its sole judgment, that curtailment, interruption, or reduction of Customer's electrical generation is otherwise necessary due to emergencies, forced outages, force majeure, or compliance with prudent electrical practices.
- 5.2 Notwithstanding any other provision of this Agreement, upon termination of this Agreement or at any time SCE determines the continued parallel operation of the Generating Facility may endanger the public or SCE personnel, or affect the integrity of SCE's electric system or the quality of electric service provided to other customers, SCE shall have the right to require the Generating Facility to be immediately disconnected from SCE's electric system. The Generating Facility shall remain disconnected until such time as SCE is satisfied, in its sole judgment that the condition(s) causing such disconnection have ended or have been corrected.
- 5.3 Whenever feasible, SCE shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 5.4 Electrical energy and capacity provided to Customer during periods of curtailment or interruption of the output of the Generating Facility shall be provided pursuant to the terms of the rate schedule(s) applicable to the electric service account to which the Generating Facility is connected.

6. ACCESS TO PREMISES:

- SCE may enter Customer's premises at all times, without notice to Customer for emergency purposes only.
- (a) To inspect Customer's protective devices or check meter(s); to ascertain there is no power flow; or
 - (b) To disconnect the Generating Facility and/or service to Customer, whenever in SCE's discretion, a hazardous condition exists and such immediate action is necessary to protect persons, SCE's facilities, or property of others from damage or interference caused by the Generating Facility, or the failure of properly operating protective devices.
- SCE will make prior arrangements with the Customer for gaining emergency access to Customer's premises by obtaining keys to a lock box or a padlock or by making other mutually agreeable arrangements.

7. INDEMNITY AND LIABILITY:

- 7.1 Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorneys' fees) for injury or death to persons, including employees of either Party, and damage to property, including property of either Party, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the indemnitor's facilities, or (b) the making of replacements, additions, betterments to, or reconstruction of the indemnitor's facilities. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand, or expense resulting from its sole negligence or willful misconduct.
- 7.2 The indemnitor shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity and shall pay for all costs, including reasonable attorney fees, that may be incurred by the other Party in enforcing this indemnity.
- 7.3 The provisions of this Section 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.
- 7.4 Except as otherwise provided in Section 7.1, neither Party shall be liable to the other Party for consequential damages incurred by that Party.
- 7.5 Nothing in this Agreement shall create any duty to, any standard of care with reference to, or any

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

- liability to any person who is not a Party to it.
- 7.6 Notwithstanding the provisions of Section 7.1, Customer shall be responsible for protecting its Generating Facility from damage by reason of the electrical disturbances or faults caused by the operation, faulty operation, or non-operation of SCE's facilities, and SCE shall not be liable for any such damage so caused.
- 8. GOVERNING LAW:**
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.
- 9. CALIFORNIA PUBLIC UTILITIES COMMISSION:**
- 9.1 This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction.
- 9.2 Notwithstanding any other provisions of this Agreement, SCE has 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, or rule or any agreement relating thereto.
- 10. AMENDMENT, MODIFICATIONS, WAIVER OR ASSIGNMENT:**
- 10.1 This Agreement may not be altered or modified by either of the Parties, except by an instrument in writing executed by each of them.
- 10.2 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.
- 10.3 This Agreement shall supersede any existing agreement under which Customer is currently operating the Generating Facility identified in Section 2, herein, and any such agreement shall be deemed terminated as of the date this Agreement becomes effective.
- 10.4 This Agreement 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.
- 10.5 A new Customer of Record or New Party In (NPI) who owns, leases, or rents a premises with an operating NEM eligible facility, previously approved by SCE for Parallel Operation does not have to submit a new interconnection agreement as long as the Customer meets the requirements of Schedule NEM. This will also apply to premises where the developer/contractor establishes the interconnection, so that the Customer who buys/rents/leases the premises will not have to re-submit and sign a new interconnection agreement.

A new Customer of Record or New Party In (NPI), who owns, rents or leases a premises that includes NEM eligible electrical generating facilities with a capacity of 30 kW or less, that were approved by SCE for Parallel Operation prior to the new Customer or NPI moving in and/or taking electric service with SCE will take service on Schedule NEM as long as the requirements of this section are met. To be eligible, the new Customer or NPI must 1) ensure that the generating facility is compliant with all applicable safety and performance standards as delineated in SCE's Electric Rule 21 and other applicable tariffs in effect at the time of initial approval for Parallel Operation; 2) keep in force the amount of property, commercial general liability and/or personal liability insurance the New Party In or new Customer has in place at the time it initiates service on this tariff; 3) understand that SCE may from time to time release to the California Energy Commission and/or the California Public Utilities Commission, information regarding the new Customer or NPI's facility, including New Party In or new Customer's name and Generating Facility location, capacity and operational characteristics. SCE will provide the New Party In or new Customer with, (i) a copy of the interconnection agreement in effect and as signed by the previous customer which will remain unchanged, (ii) a copy of the NEM Fact Sheet of operation and billing, and (iii) SCE's website information on the NEM tariff.

**SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT**

10.6 A new Customer or NPI who owns rents or leases a premises that includes a NEM eligible electrical generating facility above 30 kW will need to sign a new interconnection agreement. If no changes are made to the interconnection facilities, the agreement will have identical terms and conditions as the ones approved for the previous Customer.

11. NOTICES:

11.1 Any notice required under this Agreement shall be in writing and mailed at any United States Post Office with postage prepaid and addressed to the Party, or personally delivered to the Party, at the address below. Changes in such designation may be made by notice similarly given. All written notices shall be directed as follows:

	CUSTOMER	SOUTHERN CALIFORNIA EDISON COMPANY
Account Name:	Los Angeles County	SOUTHERN CALIFORNIA EDISON COMPANY
Mailing Address:	500 W. Temple St., Room 754	Attn: NEM Program Administrator
	Los Angeles, CA 90012	SCE Customer Solar & Self Generation
		P.O. Box 800
		Rosemead, CA 91770

11.2 Customer's notices to SCE pursuant to this Section shall refer to the Generating Facility Identification Number that is set forth in Section 2.1

12. TERM AND TERMINATION OF AGREEMENT:

12.1 This Agreement shall become effective when signed by Customer and SCE, and shall remain in effect thereafter from month to month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 11.

12.2 This Agreement shall terminate, without notice, upon: (a) termination of the electric distribution service provided to Customer, by SCE; or (b) changes to Customer's electric load which cause Customer to no longer satisfy all requirements of the definition of an Eligible Customer-Generator, as set forth in Section 2827(b)(4) of the California Public Utilities Code; or termination of Customer's Net Energy Metering arrangements with its Electric Service Provider.

13. SIGNATURES:

This Agreement may be executed in counterparts, and by electronic signature on the part of SCE, and copies of a Party's signed signature page may be transmitted to the other Party by facsimile or other electronic means. Copies of the signature page so transmitted may be used for the purpose of enforcing the terms of this Agreement as though they were originals and will not be made inadmissible in any legal or regulatory proceeding concerning this Agreement on the basis of the Best Evidence Rule or similar rule of admissibility.

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 latter of the two dates set forth below.

	CUSTOMER	SOUTHERN CALIFORNIA EDISON COMPANY
By:	_____	By: _____
Name:	_____	Name: <u>Melissa R. Patrick</u>
Title:	_____	Title: <u>NEM Interconnection Manager</u>
Date:	_____	Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

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1. APPLICABILITY

This Agreement is applicable only to customers who satisfy all requirements of the definition of an Eligible Customer-Generator set forth in Section 2827(b)(4) of the California Public Utilities Code.

2. SUMMARY OF GENERATING FACILITY AND CUSTOMER ACCOUNT

- 2.1 Generating Facility Identification Number: _____
- 2.2 Customer Meter Number: V34R006138
- 2.3 Customer Service Account Number: 3 - 0 1 2 - 2 9 2 6 - 6 2
- 2.4 Applicable Rate Schedule:

TOU-8B

- 2.5 Generating Facility Location: 5816 W Avenue I
Lancaster CA 93535

2.5.1 This Agreement is applicable only to the Generating Facility described below and installed at the above location. The Generating Facility may not be relocated or connected to SCE's system at any other location without SCE's express written permission.

- 2.6 Generating Facility Technology (Solar, Wind or Hybrid): Solar
- 2.7 Generating Facility Nameplate Rating (kW): 1,000
- 2.8 Estimated monthly energy production of Generating Facility (kWh): _____

3. GENERATING FACILITY INTERCONNECTION AND DESIGN REQUIREMENTS:

- 3.1 Customer shall be responsible for the design, installation, operation, and maintenance of the Generating Facility and shall obtain and maintain any required governmental authorizations and/or permits.
- 3.2 The Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as Underwriters Laboratories ("UL"), and, where applicable, rules of the California Public Utilities Commission ("Commission") regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929, UL Standard 1741 and SCE's Rule 21 – Generating Facility Interconnection.
- 3.3 Customer shall not commence parallel operation of the Generating Facility until written approval has been provided to it by SCE. SCE shall provide such written approval within ten (10) working days from SCE's receipt of a copy of the final inspection or approval of the Generating Facility which has been issued by the governmental authority having jurisdiction to inspect and approve the installation. Such approval shall not be unreasonably withheld.
- 3.4 SCE shall have the right to have its representatives present at the final inspection made by the governmental authority having jurisdiction to inspect and approve the installation of the Generating Facility.
- 3.5 Customer shall not add generation capacity in excess of the Nameplate Rating set forth in Section 2.7 of this Agreement, or otherwise modify the Generating Facility without the prior written permission of SCE.

4. METERING AND BILLING:

Metering requirements and billing procedures shall be set forth in the SCE and/or Energy Service Provider's

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

5. DISCONNECTION, INTERRUPTION OR REDUCTION OF DELIVERIES:

- 5.1 SCE may require Customer to interrupt or reduce the output of its Generating Facility under the following circumstances:
- (a) Whenever SCE deems it necessary in its sole judgment, to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its electric system; or
 - (b) Whenever SCE determines in its sole judgment, that curtailment, interruption, or reduction of Customer's electrical generation is otherwise necessary due to emergencies, forced outages, force majeure, or compliance with prudent electrical practices.
- 5.2 Notwithstanding any other provision of this Agreement, upon termination of this Agreement or at any time SCE determines the continued parallel operation of the Generating Facility may endanger the public or SCE personnel, or affect the integrity of SCE's electric system or the quality of electric service provided to other customers, SCE shall have the right to require the Generating Facility to be immediately disconnected from SCE's electric system. The Generating Facility shall remain disconnected until such time as SCE is satisfied, in its sole judgment that the condition(s) causing such disconnection have ended or have been corrected.
- 5.3 Whenever feasible, SCE shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 5.4 Electrical energy and capacity provided to Customer during periods of curtailment or interruption of the output of the Generating Facility shall be provided pursuant to the terms of the rate schedule(s) applicable to the electric service account to which the Generating Facility is connected.

6. ACCESS TO PREMISES:

- SCE may enter Customer's premises at all times, without notice to Customer for emergency purposes only.
- (a) To inspect Customer's protective devices or check meter(s); to ascertain there is no power flow; or
 - (b) To disconnect the Generating Facility and/or service to Customer, whenever in SCE's discretion, a hazardous condition exists and such immediate action is necessary to protect persons, SCE's facilities, or property of others from damage or interference caused by the Generating Facility, or the failure of properly operating protective devices.

SCE will make prior arrangements with the Customer for gaining emergency access to Customer's premises by obtaining keys to a lock box or a padlock or by making other mutually agreeable arrangements.

7. INDEMNITY AND LIABILITY:

- 7.1 Each Party as indemnitor shall defend, hold harmless, and indemnify the other Party and the directors, officers, employees, and agents of the other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorneys' fees) for injury or death to persons, including employees of either Party, and damage to property, including property of either Party, arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of the indemnitor's facilities, or (b) the making of replacements, additions, betterments to, or reconstruction of the indemnitor's facilities. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, neither Party shall be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand, or expense resulting from its sole negligence or willful misconduct.
- 7.2 The indemnitor shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity and shall pay for all costs, including reasonable attorney fees, that may be incurred by the other Party in enforcing this indemnity.
- 7.3 The provisions of this Section 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.
- 7.4 Except as otherwise provided in Section 7.1, neither Party shall be liable to the other Party for consequential damages incurred by that Party.
- 7.5 Nothing in this Agreement shall create any duty to, any standard of care with reference to, or any

SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT

liability to any person who is not a Party to it.

- 7.6 Notwithstanding the provisions of Section 7.1, Customer shall be responsible for protecting its Generating Facility from damage by reason of the electrical disturbances or faults caused by the operation, faulty operation, or non-operation of SCE's facilities, and SCE shall not be liable for any such damage so caused.

8. GOVERNING LAW:

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.

9. CALIFORNIA PUBLIC UTILITIES COMMISSION:

- 9.1 This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction.
- 9.2 Notwithstanding any other provisions of this Agreement, SCE has 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, or rule or any agreement relating thereto.

10. AMENDMENT, MODIFICATIONS, WAIVER OR ASSIGNMENT:

- 10.1 This Agreement may not be altered or modified by either of the Parties, except by an instrument in writing executed by each of them.
- 10.2 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.
- 10.3 This Agreement shall supersede any existing agreement under which Customer is currently operating the Generating Facility identified in Section 2, herein, and any such agreement shall be deemed terminated as of the date this Agreement becomes effective.
- 10.4 This Agreement 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.
- 10.5 A new Customer of Record or New Party In (NPI) who owns, leases, or rents a premises with an operating NEM eligible facility, previously approved by SCE for Parallel Operation does not have to submit a new interconnection agreement as long as the Customer meets the requirements of Schedule NEM. This will also apply to premises where the developer/contractor establishes the interconnection, so that the Customer who buys/rents/leases the premises will not have to re-submit and sign a new interconnection agreement.

A new Customer of Record or New Party In (NPI), who owns, rents or leases a premises that includes NEM eligible electrical generating facilities with a capacity of 30 kW or less, that were approved by SCE for Parallel Operation prior to the new Customer or NPI moving in and/or taking electric service with SCE will take service on Schedule NEM as long as the requirements of this section are met. To be eligible, the new Customer or NPI must 1) ensure that the generating facility is compliant with all applicable safety and performance standards as delineated in SCE's Electric Rule 21 and other applicable tariffs in effect at the time of initial approval for Parallel Operation; 2) keep in force the amount of property, commercial general liability and/or personal liability insurance the New Party In or new Customer has in place at the time it initiates service on this tariff; 3) understand that SCE may from time to time release to the California Energy Commission and/or the California Public Utilities Commission, information regarding the new Customer or NPI's facility, including New Party In or new Customer's name and Generating Facility location, capacity and operational characteristics. SCE will provide the New Party In or new Customer with, (i) a copy of the interconnection agreement in effect and as signed by the previous customer which will remain unchanged, (ii) a copy of the NEM Fact Sheet of operation and billing, and (iii) SCE's website information on the NEM tariff.

**SOUTHERN CALIFORNIA EDISON COMPANY
NET ENERGY METERING AND GENERATING FACILITY INTERCONNECTION AGREEMENT**

10.6 A new Customer or NPI who owns rents or leases a premises that includes a NEM eligible electrical generating facility above 30 kW will need to sign a new interconnection agreement. If no changes are made to the interconnection facilities, the agreement will have identical terms and conditions as the ones approved for the previous Customer.

11. NOTICES:

11.1 Any notice required under this Agreement shall be in writing and mailed at any United States Post Office with postage prepaid and addressed to the Party, or personally delivered to the Party, at the address below. Changes in such designation may be made by notice similarly given. All written notices shall be directed as follows:

	CUSTOMER	SOUTHERN CALIFORNIA EDISON COMPANY
Account Name:	Los Angeles County	SOUTHERN CALIFORNIA EDISON COMPANY
Mailing Address:	500 W. Temple St., Room 754	Attn: NEM Program Administrator
	Los Angeles, CA 90012	SCE Customer Solar & Self Generation
		P.O. Box 800
		Rosemead, CA 91770

11.2 Customer's notices to SCE pursuant to this Section shall refer to the Generating Facility Identification Number that is set forth in Section 2.1

12. TERM AND TERMINATION OF AGREEMENT:

12.1 This Agreement shall become effective when signed by Customer and SCE, and shall remain in effect thereafter from month to month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 11.

12.2 This Agreement shall terminate, without notice, upon: (a) termination of the electric distribution service provided to Customer by SCE; or (b) changes to Customer's electric load which cause Customer to no longer satisfy all requirements of the definition of an Eligible Customer-Generator, as set forth in Section 2827(b)(4) of the California Public Utilities Code; or termination of Customer's Net Energy Metering arrangements with its Electric Service Provider.

13. SIGNATURES:

This Agreement may be executed in counterparts, and by electronic signature on the part of SCE, and copies of a Party's signed signature page may be transmitted to the other Party by facsimile or other electronic means. Copies of the signature page so transmitted may be used for the purpose of enforcing the terms of this Agreement as though they were originals and will not be made inadmissible in any legal or regulatory proceeding concerning this Agreement on the basis of the Best Evidence Rule or similar rule of admissibility.

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 latter of the two dates set forth below.

	CUSTOMER	SOUTHERN CALIFORNIA EDISON COMPANY
By:	_____	By: _____
Name:	_____	Name: <u>Melissa R. Patrick</u>
Title:	_____	Title: <u>NEM Interconnection Manager</u>
Date:	_____	Date: _____