

Agreement for Net Metering and Interconnection Services

This Agreement for net metering and Interconnection Services ("Agreement") is made and entered into this _____ day of _____ by and between _____, an [individual/company] _____ ("Applicant"), and Blachly-Lane Electric Cooperative ("BLEC"), a corporation organized and existing under the laws of the State of Oregon. The Applicant and BLEC each may be referred to as a "Party" or collective as the "Parties".

RECITALS:

WHEREAS, the Applicant is proposing to develop a Net Metering Facility, or generating capacity addition to an existing Net Metering Facility, consistent with the Application for Net Metering Facility Interconnection completed on _____; and

WHEREAS, the Applicant desires to interconnect the Net metering Facility with BLEC's electric distribution system and take net metering service in accordance with applicable BLEC policies and schedules as approved by the BLEC Board of Directors; and

WHEREAS, the Agreement shall be used for all approved applications for interconnection according to the procedures set forth in Oregon ORS 757.300 *Net Metering* facilities. Terms with initial capitalization, when used in this Agreement, shall have the meanings set forth in this Agreement or as given in the Net Metering Rules, hereafter referred to as the "Rules" and, to the extent this Agreement conflicts with the Rules, the Rules shall take precedence.

NOW THEREFORE, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

Article 1 - Scope and Limitation of Agreement

1.1. Interconnection Service

The Agreement establishes standard terms and conditions approved by the Cooperative under which the Net metering Facility with the generation capacity of up to 25kW AC will interconnect to BLEC's electric distribution system.

1.2 Net Metering Service

Net metering service is provided by BLEC to applicant pursuant to the Oregon Revised Statute 757.300. Applicant hereby agrees to take Net Metering service from BLEC in accordance therewith.

1.3 Other Agreements

Nothing in this Agreement is intended to affect any other agreement between BLEC and the Applicant or another interconnection customer.

1.4 Responsibilities of the Parties

The parties shall perform all obligations of this Agreement in accordance with the Rules and other applicable laws and in accordance with Good Utility Practice.

Article 2 – Effective Date, Term, Termination and Disconnection

2.1 Effective Date

The Agreement shall become effective upon execution by the Parties (“Effective Date”).

2.2 Term of Agreement

The Agreement will become effective on the Effective Date and will remain in effect for a period of 20 years unless terminated earlier in accordance with provisions of this Agreement.

2.3 Termination

No termination will become effective until the Parties have complied with all applicable laws and clauses of this Agreement applicable to such termination.

2.3.1 The Applicant may terminate this Agreement at any time by giving BLEC twenty (20) business days’ written notice.

2.3.2 Either party may terminate this Agreement after default pursuant to Article 5 of this Agreement.

2.4 Temporary Disconnection

BLEC or Applicant may temporarily disconnect the Net Metering Facility from BLEC’s electric distribution system for so long as reasonably necessary in the event one or more of the following conditions or events occur:

2.4.1 Under emergency conditions, BLEC or the Applicant may immediately disconnect the Net Metering Facility. BLEC shall notify the applicant promptly when it becomes aware of an emergency condition that may reasonably be expected to affect the Net Metering Facility operation. The applicant will notify BLEC promptly when it becomes aware of an emergency condition that may reasonably be expected to affect BLEC’s Electric Distribution System. To the extent information is known, the notification shall describe the emergency condition, the extent of the damage or deficiency, the expected effort on the operation of both Parties’ facilities and operations, its anticipated duration, and the necessary corrective action.

2.4.2 For maintenance, repair, or construction of the Net Metering Facility or electric distribution system, BLEC or the Applicant may disconnect the Net Metering Facility. Parties will make reasonable efforts to provide five (5) business days' notice to the other Party prior to such interruption and shall use reasonable efforts to coordinate such interruption.

2.4.3 If BLEC determines that operation of the Net Metering Facility will likely cause disruption or deterioration of service to other customers served from the electric distribution system, or if operating the Net Metering Facility could cause damage to BLEC's electric distribution system, then BLEC may disconnect the Net metering Facility. In such event, BLEC shall provide the Applicant supporting documentation used to reach the decision to disconnect the facility upon the Applicant's request.

2.4.4 If the applicant makes any change to the Net Metering Facility other than minor equipment modifications without prior written authorization of BLEC, BLEC will have the right to temporarily disconnect the Net Metering Facility.

2.4.5 The Parties shall cooperative with each other to restore the Net Metering Facility and BLEC's electric distribution system to their normal operating state as soon as reasonably practicable following any disconnection pursuant to this section.

Article 3 – Cost Responsibility and Billing

BLEC shall charge for, and the Applicant will be responsible for, the timely payment of the cost of any application fee and the costs of such facilities, equipment, modifications, upgrades, and additional review, as may be allowed by the Rules.

3.1 Net Metering Facility

The Applicant will be responsible for all reasonable expenses, including overheads, associated with owning, operating, maintaining, repairing, and replacing its net Metering Facility.

3.2 Billings

Progress billing and final billing and payment schedules shall be agreed to by the Parties prior to commencing work.

Article 4 - - Assignment, Liability, Indemnity, Consequential Damages and Default

4.1 Assignment

This Agreement may be assigned by either party upon fifteen (15) business days' prior written notice, in accordance with the following:

4.1.1 Either party may assign this Agreement, without the consent of the other party, to any affiliate (which shall include a merger of the Party with another entity) of the assigning party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement.

4.1.2 The Applicant shall have the right to assign the Agreement, without the consent of BLEC, for collateral security purposes to aid in providing financing for the net metering Facility. For net Metering Facilities that are integrated into a building facility, the sale of the building or property will result in an automatic transfer of this Agreement to the new owner, who shall be responsible for complying with the terms and condition of this Agreement.

4.1.3 Any attempted assignment that violates this Article is void and ineffective. An assignment hereunder shall not relieve a party of its obligations, nor shall a party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same obligations as the Applicant, including any requirements for Net Metering Service as provided under the Net Metering Rate Schedule, Rules, and Oregon Revised Statute 757.300.

4.2 Limitation of Liability

BLEC shall not be liable, directly or indirectly, for permitting or continuing to allow an attachment of the Net metering Facility to its Electric Distribution System, or for the acts or omissions of Applicant that cause loss or injury, including death, to any third party.

4.3 Indemnity

Applicant shall at all times indemnify, defend, and hold BLEC harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorneys' fees, and all other obligations by or to third parties, arising out of or resulting from BLEC's action or failure to meet its obligations under this Agreement, except in cases of gross negligence or intentional wrongdoing by BLEC.

4.4 Consequential Damages

Neither party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract or in tort, including negligence, strict liability, or any other theory of liability.

4.5 Default

4.5.1 No default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of an act or omission of the other Party. Upon a default, the non-defaulting party shall give written notice of such default to the defaulting Party. Except as provided in Section 5.5.1, the defaulting Party shall have sixty (60) calendar days from receipt of the default notice within which to cure such default; provided, however, if such default is not capable of cure with sixty (60) calendar days, the defaulting Party shall commence such cure within twenty (20) calendar days after notice and continuously and diligently complete such care within six (6) months from receipt of the default notice; and, if cured within such time, the default specified in such notice shall cease to exist.

4.5.2 If a default is not cured as provided for in this Article, or if a default is not capable of being cured within the period provided for herein, the non-defaulting party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that party terminates this Agreement, to recover from the defaulting party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. Alternatively, the non-defaulting party shall have the right to seek dispute resolution with the commission in lieu of default. The provisions of this Article will survive termination of the Agreement.

Article 5 – Miscellaneous

5.1 Governing Law, Regulatory Authority and Rules

The validity, interpretation, and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Oregon. This Agreement is subject to all applicable laws. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.

5.2 Amendment

Additions, deletions or changes to the terms and conditions of this Agreement will not be permitted unless they are mutually agreed to by the parties or, if required by the Rules. The parties may amend this agreement by a written instrument duly executed by both parties in accordance with provisions of the Rules and provisions of the laws of the State of Oregon.

5.3 No third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the

obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

5.4 Waiver

5.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

5.4.2 The parties may also agree to mutually waive a section of this Agreement where the section of the Agreement expressly so provides.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

5.5 Entire Agreement

This Agreement, including any Attachments, constitutes the entire Agreement between the parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are not other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either party's obligations under this Agreement.

5.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

5.7 No partnership

This Agreement will not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the parties or to impose any partnership obligation or partnership liability upon either Party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for or act on behalf of, or act as or be an agent or representative of, or to otherwise bind, the other Party.

5.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority (1) such portion or

provision shall be deemed separate and independent, (2) the parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

5.9 Subcontractors

Nothing in this Agreement shall prevent a party from utilizing the services of any subcontractor, or designating a third party agent as one responsible for a specific obligation or act required in this Agreement (collectively "Subcontractors"), as it deems appropriate to perform its obligations under this Agreement; provided, however, that each party will require its Subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and, subject to the application provisions of this Agreement, each Party will remain primarily liable to the other Party for the performance of such Subcontractor.

Article 6 – Notices and Records

6.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request or communication required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered via e-mail (if provided by the Applicant) or sent by first class United States mail, postage prepaid, to the person specified below:

If to the Applicant:

Applicant: _____
Attention: _____
Address: _____
City: _____
State: _____
Zip: _____
Phone: _____
Fax: _____
E-mail: _____

If to BLEC:

Applicant: _____
Attention: _____
Address: _____
City: _____
State: _____
Zip: _____
Phone: _____
Fax: _____
E-mail: _____

Notice shall be deemed delivered on the day an e-mail is sent or Notice is deposited in First Class U.S. mail. The Applicant shall be responsible for informing BLEC of any changes to its notification address as soon as reasonably possible.

6.2 Records

The utility will maintain a record of all Interconnection Agreements and related Form attachments for as long as the interconnection is in place. The utility will provide a copy of these records to the Applicant or Interconnection Customer within fifteen (15) Business Days if a request is made in writing.

6.3 Billing and Payment

Billings and payments shall be sent to the addresses set out above unless alternative billing addresses and contact information are provided to the other Party in writing.

6.4 Designated operating Representative

The parties will designate operating representatives to conduct the communications which may be necessary or convenient for the administration of the operating provisions of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities (complete if different than Article 6 above).

Applicant's Operating Representative:

Attention: _____
Address: _____
City: _____
State: _____
Zip: _____
Phone: _____
Fax: _____
E-mail: _____

BLEC's Operating Representative:

Attention: _____
Address: _____
City: _____
State: _____
Zip: _____
Phone: _____
Fax: _____
E-mail: _____

6.5 Changes to the Notice Information

Either party may change this notice information by giving five (5) business days' written notice prior to the effective date of the change.

Article 7 Signatures

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

For Blachly-Lane Electric Cooperative

Name: _____

Title: _____

Date: _____

For the Applicant

Name: _____

Title: _____

Date: _____

Attachment A

Required Electrical Arrangement for Interconnecting a Net-Metered Generation System

