

SCHEDULE "K"



Town of Cardston

Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation

Electrical Distribution System Operational Documents

Version 1.023



Attachments:

Schedule “K” — Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation *(5 pages)*





Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation

THIS AGREEMENT made the _____ day of _____, _____ BETWEEN:

(the "**Customer**")

OF THE FIRST PART,

AND:

THE TOWN OF CARDSTON
(the "**Wires owner**")

OF THE SECOND PART,

WHEREAS:

This agreement is intended to provide for the safe and orderly operation of the electrical facilities interconnecting the micro-generation customer's generation facility at:

Facility Address: _____
(the "**Generation facility**")

and the electrical distribution system owned by the wires owner; and,

WHEREAS it is the intent of the micro-generation customer to generate electricity primarily for their own use sized to the customer's load or portion thereof, and to be reimbursed for any excess generation; and,

WHEREAS it is the intent of the wires owner to operate its distribution system to maintain a high level of power quality and service for its customers; and,

WHEREAS it is the intent of both parties to operate their respective facilities in a way that ensures the safety of the public and their respective employees;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, and the mutual covenants and agreements herein contained, the parties hereto agree with each other as follows:



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1. Relation to other documents:

This agreement does not supersede any requirements outlined in any government regulations, including (but not limited to) the Alberta Electrical Utility Code, the Canadian Electrical Code and the Alberta Occupational Health and Safety Act, nor does it supersede the wires owner's safety policies and procedures or the terms of any electric service agreement between the micro-generation customer and the wires owner or any of its affiliates.

2. Description of facilities:

The micro-generation customer's generation facility consists of a (**Total kW AC**), (**Inverter**) generator. The micro-generation customer owns and is responsible for the maintenance and operation of all facilities on the generator side of the point of common coupling.

The wires owner's distribution system consists of (**14.4/25**) kV line and a (**size**) kVA, transformer. The wires owner owns and is responsible for the operation of all facilities on the distribution side of the point of common coupling.

3. Eligibility

The Customer agrees that the connection between the generation facility and the Wires Owner's distribution system will be subject to all applicable laws and bound by the Wires Owner terms and conditions of Service (the "**Terms of Service**") which are available to the Customer upon request.

The Customer certifies that they:

- Meet all of the requirements of AUC Rule 024.
- Have met all of the requirements of AUC Rule 007.
- Have met all of the requirements of AUC Rule 012.

4. Technical requirements:

Micro-generation customer covenants and agrees that it will not make any alteration to the design and operation of its generation facility, including, but not limited to, the total generation capacity, voltage and frequency of its generation facility, without the prior written approval of the wires owner.

5. Maintenance outages:

Maintenance outages will occasionally be required on the wires owner's distribution system and the micro-generation customer's generation facility. Both parties hereto are required to provide reasonable notice, given the circumstances, and plan to minimize downtime. It is recognized that in some emergency cases, such notice may not be possible. Outages shall be coordinated by the operators in charge.



Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation

6. Liabilities:

The micro-generation customer will indemnify and hold the wires owner harmless from and against all costs, expenses, damages, claims, liabilities and adverse effects resulting from the micro-generation customer's breach of this agreement, negligence or willful misconduct in connection with the operation of the micro-generation customer's generation facility or the interconnection between the micro-generation customer's generation facility and the wires owner's distribution system.

Notwithstanding the foregoing, the micro-generation customer shall not be liable to the wires owner under any circumstances whatsoever for any loss of profits or revenues, business interruptions losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise. For purposes of this agreement, damages claimed by third parties shall not be considered indirect, consequential, incidental or special damages, regardless of the type of damages being claimed.

The wires owner's liability to the micro-generation customer, whether pursuant to contract, tort or otherwise, shall be limited to the liability imposed on the wires owner pursuant to the terms of service. Nothing in this agreement is intended to abrogate, alter or diminish the statutory liability protection granted to the wires owner under the Electric Utilities Act (Alberta) and the Liability Protection Regulation (Alberta).

7. Access:

The wires owner shall have access to the micro-generation customer's generation facilities, including for purposes of inspection, maintenance, operation and meter reading. Access and inspections shall be arranged by the operators in charge.

8. Suspension of interconnection:

The operation of the micro-generation customer's generation facility and the quality of electric energy supplied by the micro-generation customer shall meet both the standards and anti-islanding requirements as specified in Part 2 of the Alberta Distributed Generation Interconnection Guide and any further standards identified by the wires owner. If the operation of the micro-generation customer's facilities or quality of electric energy supplied does not meet the above standards or, in the event the wires owner determines, in its sole opinion, acting reasonably, that the micro-generation customer's generation facility is or is reasonably likely to: (i) cause damage to; and/or (ii) adversely affect other distribution system customers or the wires owner's assets, the wires owner will notify the micro-generation customer of same and the micro-generation customer shall promptly take all reasonable corrective action at its sole cost and expense. The wires owner may, in its sole discretion and without notice, disconnect the micro-generation customer's facilities from the wires owner's distribution system until all such correction action and/or compliance with the above standards is reasonably demonstrated.



Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation

Additionally, the wires owner may, in its sole discretion and without notice, disconnect the micro-generation customer's generation facility from the wires owner's distribution system in the event of: (a) a planned or unplanned power outage on the wires owner's distribution system, (b) any abnormal operation of the wires owner's distribution system, (c) a direction from the independent system operator ("ISO") or other governmental authority, or (d) any other event that requires such disconnection pursuant to: (i) the wires owners' terms and conditions of service (the "terms of service"), which are filed with, and approved by, the Alberta Utilities Commission from time to time; (ii) applicable law, or (iii) good electricity practice.

9. Termination:

The micro-generation customer may terminate this agreement at any time by: (a) disconnecting its generation facility from the wires owner's distribution system, and (b) thereafter giving the wires owner 30 days written notice of such termination.

The wires owner may terminate this agreement on 30 day's notice upon the occurrence of any of the following: (a) the micro-generation customer's disposition of its generation facility or its interest in the property on which it resides; (b) the micro-generation customer's breach of this agreement; (c) the retirement of the wires owner's distribution system; and (d) any change in law that affects the wires owner's rights or obligations under the Micro-Generation Regulation (Alberta) or AUC Rule 024.

10. Assignment:

The micro-generation customer agrees that this agreement constitutes an interest in land with respect to the lands on which the micro-generation customer's generation facility is located, and that the wires owner may register this agreement at the appropriate land titles office against title to the lands on which the micro-generation customer's generation facility is located

The micro-generation customer covenants and agrees that it will not sell, assign, transfer, convey or otherwise dispose of its generation facility or its interest in the property on which its generation facility resides without giving:

- a) Written notice to the wires owner of such disposition, and
- b) Confirmation to the wires owner that the new owner of the micro-generation customer's generation facility, or the micro-generation customer's interest in the property on which the generation facility resides, has agreed to assume the micro-generation customer's rights and obligations by entering into a new agreement with the wires owner, each such notice and confirmation to be given prior to the completion of such disposition. The wires owner may assign its rights and obligations under this agreement without the micro-generation customer's consent.

In addition, the micro-generation customer agrees that if its rights and obligations under this agreement are not assigned to the new owner of its generation facility or its interest in the property on which its generation facility resides, the wires owner may send a micro generation decommission notification (GRN transaction) to the micro-generation customer's retailer prohibiting any further



Interconnection and Operating Agreement (up to 150 kilowatts) Inverter Based Micro-Generation

generation credits to be processed with respect to the micro-generation customer's generation facility until a new agreement is reached between the wires owner and the new owner of the micro-generation customer's generation facility.

ACCEPTED BY:

Customer:

Micro-generation customer name: _____
(Please print)

Micro-generation customer signature: _____

Date: _____

APPROVED BY:

Wires owner:

Wires owner representative name: _____
(Please print)

Wires owner representative signature: _____

Date: _____

Wires owner reference: project reference # _____, Site ID _____