



## NET METERING AGREEMENT

This Net Metering Agreement (Agreement) dated and effective this \_\_\_\_\_ day of \_\_\_\_\_, by and between Surprise Valley Electrification Corp. (Cooperative) and \_\_\_\_\_ (Member-Generator), referred to herein individually as Party, and collectively as Parties.

Whereas the Cooperative is required by California and Oregon law to provide net metering services, and provides such services to Members in California, Oregon, and Nevada in accordance with the Cooperative's Policy 402.2;

Whereas Member-Generator wishes to sell and the Cooperative agrees to accept and purchase energy produced by the approved net metering facility on the following terms and conditions;

Now, therefore, the Parties agree:

- Net Metering Facility:** The net metering facility (Facility) shall mean the generating facility described in Exhibit A. The Facility shall employ solar, wind, fuel cell, hydroelectric power, landfill gas, digester gas, waste, dedicated energy crops available on a renewable basis, low emission – nontoxic biomass based on solid organic fuels from wood, forest or field residues, geothermal energy to generate power.
  - Oregon or Nevada.** If the Member-Generator and Facility are located in Oregon or Nevada, the Facility shall be designed to offset the Member-Generator's requirements and rated for up to a maximum output capacity of twenty-five (25) kilowatts.
  - California.** If the Member-Generator and Facility are located in California, the Facility shall be designed to offset Member's requirements and rated up to and not more than one (1) megawatt. A Member-Generator may request to aggregate meters under the Cooperative's net metering program, and such request will be considered as described in the Cooperative's Policy 402.2. The size limit of the Member's average annual load (up to 1 MW) applies to the Member's premises, so aggregation may not be used to increase the size limit for the facility.

The Facility shall be located on the Member-Generator's premises and will interconnect and operate in parallel with the Cooperative's electric power supply system. Member-Generator shall be responsible for the design, installation and operation of the Facility and shall obtain and maintain all required permits and approvals. This Agreement is applicable only to the Facility described in Exhibit A. Any modifications to the Facility including installation of replacement parts or a replacement of the entire Facility can only be made following the written approval of the Cooperative.

2. **Term:** This Agreement shall commence on the date established above and terminate with any change in ownership of the facility or by written agreement, signed by both Parties, or a change in law eliminating the requirement that the Cooperative provide net metering services to its members who qualify for the service.
3. **Net Energy:** Net energy is the difference between the amount of electrical energy consumed by the Member-Generator from the Cooperative's electrical supply system and the electrical energy generated by the Member-Generator and fed back into the Cooperative's electrical supply system.
4. **Excess Energy:** Any electrical energy generated by the Facility that is surplus to the simultaneous electrical usage of the Member is termed "Excess Energy." This Excess Energy flows into the Cooperative's electric utility system and displaces wholesale electric power purchases. The value of the displaced wholesale electric power purchases is credited to the Member's account. Excess Energy does not include net surplus generation produced by a Member-Generator in California with aggregated meters, because if a Member-Generator elects to aggregate its meters, the Member-Generator will be ineligible to receive compensation for net surplus generation.
5. **Measurement of Net Energy:** Bi-directional metering equipment shall be installed by the Cooperative at its expense to measure the flow of electrical energy in each direction. This equipment shall be used only to provide information necessary to accurately bill or credit the Member-Generator or to collect electric generating system performance information for research purposes. The Member-Generator is responsible for the installation and costs associated with the meter bases used for metering.
6. **Price and Payment Methodology:** All electric service provided to the Member-Generator by the Cooperative shall be billed pursuant to the Cooperative's applicable rate schedule. All charges and the credits for the net energy flowing into the Cooperative's electrical supply system shall be apportioned according to the net metering rate as set forth in the Net Metering Rate Schedule.
7. **Interconnection:** Member-Generator shall provide the electrical interconnection on its side of the meter between its facility and the Cooperative's system at Member-Generator's expense. The Cooperative shall make reasonable modifications to the Cooperative's system necessary to accommodate the Facility. The Member-Generator shall pay the cost for such modifications, which shall be the Cooperative's actual cost, due and payable in advance of installation. The Facility shall include, at Member-Generator's expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the Cooperative's policies, the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronic Engineers, all State Building Codes and Underwriters Laboratories. Member-Generator shall not commence parallel operation of the Facility until the Cooperative has inspected the facility, including all

interconnection equipment, and issued written approval for its operation.

8. **Operational Standards:** Member-Generator shall furnish, install, operate and maintain in good order and repair, all without cost to the Cooperative, all equipment required for the safe operation of the Facility operating in parallel with the Cooperative's electrical supply system. This shall include, but not be limited to, equipment necessary to (1) establish and maintain automatic synchronism with the Cooperative's electric supply system and (2) automatically disconnect the Facility from the Cooperative's electrical supply system in the event of overload or outage on the Cooperative's electrical supply system. The Facility shall be designed to operate within allowable operating standards for the Cooperative's electrical supply system. The Facility shall not cause any adverse effects upon the quality or reliability of service provided to the Cooperative's other Members. The Member-Generator shall operate its Facility in accordance with OSHA rules and regulations.
9. **Disconnection:** Member-Generator shall furnish and install, on its side of the meter, a disconnecting device capable of fully disconnecting and isolating the Facility from the Cooperative's electric supply system. The disconnecting device shall be located adjacent to the Cooperative's bi-directional metering equipment and shall be of the visible break type in a metal enclosure that can be secured by a Cooperative-owned padlock. The disconnecting device shall be accessible to the Cooperative's personnel at all times and shall conform to National Electric Code standards. The Cooperative shall have the right to disconnect, with or without notice, the Facility from the Cooperative's electric supply system when necessary, in the Cooperative's sole judgment, in order to maintain safe and reliable electrical operating conditions. Also, the Cooperative shall have the right to disconnect, with or without notice, the Facility if, in the Cooperative's sole judgement, the operation of the Facility at any time adversely affects the operation of the Cooperative's electrical system or the quality and reliability of the Cooperative's electrical service to other Members. The Facility shall remain disconnected until such time as the Cooperative is satisfied, in its sole judgment, that condition(s) justifying the disconnection have ended or have been corrected.
10. **Installation and Maintenance:** Except for the bi-directional metering equipment owned and maintained by the Cooperative, all equipment on the Member-Generator's side of the delivery point, including the required disconnecting switch, shall be provided and maintained in satisfactory operating condition by the Member-Generator, and shall remain the property and responsibility of the Member-Generator. The Cooperative shall bear no liability for Member-Generator's equipment or for the consequences of its operation.
11. **Indemnity and Liability:** 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 attorney's 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 indemnitors facilities, or (b) the making of replacements, additions, improvements or reconstruction of the indemnitors facilities, provided, however, Member-Generator's duty to indemnify the Cooperative hereunder shall not extend to loss, liability, damage, claim, cost charge, demand, or expense resulting from interruptions in electrical service to the Cooperative's Members other than the Member-Generator. 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.

12. **Pre-Operation Inspection:** Prior to interconnection and the delivery of power to the Cooperative, Member-Generator shall cause the Facility and associated interconnection and disconnection equipment to be inspected and approved by the state electrical inspector and by any other governmental authority having jurisdiction, and proof of such inspection and approval shall be furnished to the Cooperative.
13. **Access:** Authorized Cooperative employees shall have the right to enter the Member-Generator's property at any time, with or without notice, for the purpose of inspecting and/or testing the interconnection, disconnecting device and bi-directional metering equipment in order to ensure proper operations and compliance with applicable regulations.
14. **Litigation Expense :** In the event of commencement of any suit, action or other proceeding to enforce performance of this agreement, or to enforce the Cooperative's rights relating to any issue peculiar to federal bankruptcy law, Member-Generator agrees to pay to the Cooperative, whether or not the matter proceeds to final judgment or decree, in addition to costs and disbursements allowed by law, such sum as the court, arbitrator or other adjudicator may judge reasonable as an award of attorney fees in such suit, action or other proceeding, or in any appeal therefrom. Such sum shall include an amount estimated by the court, arbitrator or adjudicator, as the reasonable costs and fees to be incurred by the Cooperative in collecting any monetary judgment or award or otherwise enforcing such award, order, judgment or decree entered in such suit, action or other proceeding. In the event the Cooperative hires an attorney to enforce this agreement, Member-Generator agrees to pay all reasonable attorney fees and costs incurred in any such collection efforts, including any efforts related to issues peculiar to federal bankruptcy law, whether or not suit or action is commenced.

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.

**MEMBER-GENERATOR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SURPRISE VALLEY  
ELECTRIFICATION CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_