

Applicable to customers receiving service on the District's Residential and Small Commercial Rates.

1. **Customer Name:** \_\_\_\_\_  
**Mailing Address:** \_\_\_\_\_
2. **MID Electric Service Account Number:** \_\_\_\_\_ **MID Electric Service Rate Schedule:** \_\_\_\_\_
3. **Service Address:** \_\_\_\_\_

4. **Applicability:**  
Net Energy Metering is applicable to Customers owning and operating a solar electrical generation facility with a capacity of not more than 1 megawatt ("MW") permanently located at the Customer's premises which operates in parallel with the District's transmission and distribution facilities and is intended primarily to offset part or all of the Customer's own electrical requirements. Application of this option is on a first-come, first-served basis and is limited to five percent (5%) of the District's peak demand. In addition to this agreement, the Customer must sign the District's "Electrical Interconnection Agreement For Net Energy Metering From Solar Electric Generating Facilities of 1 Megawatt or Less" (Interconnection Agreement).

5. **Metering of Net Energy**  
Net Energy Metering uses a non-demand non-time differentiated meter or meters to measure the difference in kilowatt-hours (kWh) between the energy supplied by the District and the energy generated by the Customer and supplied to the District.

6. **Annualized Payment/ Settlement Method for Residential and Small Commercial Customers under 20 kW**  
At the end of each twelve (12) month period following the date of final interconnection, the District will issue a settlement bill based on the otherwise applicable Rate Schedule and net electricity used during that period. To minimize the year-end settlement amount, Customer may elect to pay the estimated outstanding balance each month. The District will provide a monthly estimated bill listing net electricity consumption and amount owed based on the otherwise applicable Rate Schedule.

7. **Effective Date, Modification, and Termination**  
This Agreement shall be in effect when signed by the Customer and the District, and shall remain in effect thereafter until the Interconnection Agreement between the District and the Customer is terminated. Except as provided under Section 8 of this Agreement, this Agreement can only be modified or altered by a subsequent document signed by both the District and the Customer.

8. **Rates, Rules, & Regulations**  
This Agreement will at all times be subject to the District's Rates, Rules, and Regulations, as amended from time to time. Any changes to the District's Rates, Rules, and Regulations which would act to modify this Agreement shall automatically be incorporated herein without need for a formal amendment.

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

This Agreement is effective as of the last date set forth below.

<b>Customer</b>	<b>Merced Irrigation District</b>
Signature	Signature
Print Name	Print Name
Title	Title
Date	Date

\_\_\_\_\_ (“Customer”) and the Merced Irrigation District (“District”), referred to collectively as “Parties,” or individually as “Party,” agree as follows:

**1. Solar Generating Facility**

1.1 Generating Facility Identification Number: \_\_\_\_\_

1.2 Photovoltaic/Solar (PV) Array rating: \_\_\_\_\_

1.3 Customer’s Service Address: \_\_\_\_\_

1.4 Customer’s Billing Address: \_\_\_\_\_

1.5 Customer’s Phone # at Service Address: \_\_\_\_\_ / Alternate: \_\_\_\_\_

1.6 The facility consists of photovoltaic electricity-generating modules, electrical controls, an inverter, automatic disconnect, manual disconnect and wiring to connect all of the above to the District’s electrical distribution system at the District’s meter (collectively referred to hereafter as the “Facility”)

1.7 The Facility will be ready for operation on or about (mm/dd/yy): \_\_\_\_\_

1.8 Exact location of publicly accessible disconnection device: \_\_\_\_\_

1.9 District Account Number for Service Address in Section 1.3: \_\_\_\_\_

**2. Operating Option**

Customer has elected to construct, design, install, operate, and maintain the Facility in a manner consistent with the normal and safe operation of the electrical distribution system owned and operated by the District. The Facility is intended primarily to provide part or all of the Customer’s own electrical energy requirements.

By signing this Interconnection Agreement, Customer understands, accepts, and agrees that connection and operation of the Customer’s Facility shall be subject to the terms and conditions set forth in this Interconnection Agreement and in the District’s Electric Service Rules and Regulations (the “Rules”), a true and correct copy of which is attached hereto and incorporated herein by this reference. Any conflict between this Interconnection Agreement and Rules will be governed by the terms of the Rules.

**3. Credits for Net Energy**

Customer is eligible to receive credits for energy if Customer’s monthly energy generated by the Facility exceeds Customer’s monthly energy requirements, calculated by “Net Metering.” Net Metering uses a non-demand, non-time differentiated meter or meters to measure the difference between the energy supplied by the District and the energy generated by the Facility and supplied to the District. Net metering account billing options, net energy carryover rules and restrictions, and energy costs for the account in Section 1 are controlled by (1) the District’s Net Energy Metering Schedule in effect at the time of Customer’s signing of this Interconnection Agreement initially, as revised thereafter, and (2) the Net Metering Payment Agreement.

**4. Interruption Or Reduction of Deliveries**

4.1 The District shall not be obligated to accept, and the District may require Customer to interrupt or reduce, deliveries of energy to the District: (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of the District’s equipment or part of the District’s system; or (b) if the District determines that curtailment, interruption, or reduction of receipt of energy from Customer’s Facility is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices.

4.2 Notwithstanding any other provision of the Agreement, if at any time the District, in its sole discretion, determines that either (a) the Facility may endanger District personnel or members of the general public, or (b) the continued operation of Customer's Facility may impair the integrity of the District's electric distribution system, the District shall have the right to disconnect Customer's Facility from the District's electric distribution system. Customer's Facility shall remain disconnected until such time as the District is satisfied that the condition(s) referenced in (a) or (b) of this paragraph have been corrected, and the District shall not be obligated to compensate Customer for any loss of use of generation or energy during any and all periods of such disconnection.

## **5. Interconnection**

- 5.1 Customer shall deliver energy from the Facility to the District at the District's meter.
- 5.2 Customer, and not the District, shall be solely responsible for all legal and financial obligations arising from the construction, installation, design, operation, and maintenance of the Facility in accordance with all applicable laws and regulations.
- 5.3 Customer, at Customer's sole expense, shall obtain and possess all permits and authorizations in accordance with all applicable laws and regulations for the construction, installation, design, operation and maintenance of the Facility.
- 5.4 The District shall furnish and install one or more standard watt-hour meters to read energy generated by Customer's Facility. Customer shall provide and install a meter socket in accordance with the District's metering standards. If the Customer desires more detailed metering equipment, all associated costs will be incurred by the Customer.
- 5.5 The District 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. Customer shall notify the District in accordance with the terms of Section 13, herein, at least five (5) days prior to such inspection.
- 5.6 Customer shall not connect the Facility, or any portion of it, to the District's distribution system, until written approval of Facility has been given to Customer by the District. Such approval shall not be unreasonably withheld, and shall not be considered to be an engineering design endorsement of the safety or reliability of the facility by the District.
- 5.7 Customer may reconnect its Facility to the District system following normal operational outages and interruptions without notifying the District unless the District has disconnected service, or the District notifies Customer that a reasonable possibility exists that reconnection would pose a safety hazard.

If the District has disconnected Service to the Facility, or the District has notified Customer that a reasonable possibility exists that reconnection would pose a safety hazard, Customer must call the District at (209) 722-5761 to request authorization to reconnect the Facility.

## **6. Design Requirements**

- 6.1 Customer's Facility, and all portions of it used to provide or distribute electrical power and parallel interconnection with the District's distribution equipment shall be designed, installed, constructed, operated, and maintained in compliance with this Agreement. Compliance with this section is mandatory unless prior written District approval is provided for those specific items not in compliance. Exceptions shall be in writing, signed by the District, and shall be attached to and become a part of this Agreement.
- 6.2 Customer shall conform to all applicable solar or wind electrical generating system safety and performance standards established by the National Electrical Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), and accredited testing laboratories such as Underwriters Laboratories, and where applicable, rules of the Public Utilities Commission regarding safety and reliability, and applicable building codes.

6.3 Specific Solar Photovoltaic Design Requirements:

- 6.3.1 Customer shall conform to applicable NEC standards (NEC 690) and applicable building codes.
- 6.3.2 Customer shall have a dedicated circuit from the inverter to service panel with a circuit breaker or fuse [(NEC 690-64(b)(4)].
- 6.3.3 Customer's overcurrent device at the service panel shall be marked to indicate photovoltaic power source [(NEC 690-64(b)(4)].
- 6.3.4 The Customer's inverter shall have the following minimum specifications for parallel operation with the District.
  - a) Inverter output shall automatically disconnect from the District source upon loss of District voltage and not reconnect until District voltage has been restored by the District [NEC 690-61].
  - b) Inverter shall automatically detect and isolate from the District source without any intentional delay within five cycles under the following conditions:
    - 1) Overvoltage +5 percent above 240 volts on AC supply
    - 2) Undervoltage -5 percent below 240 volts on AC supply
    - 3) Overfrequency +1 Hz above 60Hz on AC supply
    - 4) Underfrequency -1 Hz below 60 Hz on AC supply
    - 5) AC overcurrent relay, circuit breaker, or internal fusing that will operate when the AC current is greater than the full load current.
  - c) Inverter output distortion shall meet IEEE 519 standards.
  - d) In the event of inverter control failure, the DC contactor must return to the normally open condition.
  - e) A lockable and accessible disconnect switch acceptable to the District clearly labeled "Generator Disconnect Switch" shall be provided to establish working clearance for maintenance and repair work in accordance with District safety rules and practices.
  - f) Inverter protection must be tested by connecting an AC supply to the inverter and varying the supply at various voltage and frequency levels to verify inverter device operation for under/over frequency and under/over voltage conditions. These test reports shall be submitted before initial interconnection of the inverter and these tests shall be performed and submitted every five years thereafter.

**7. Maintenance and Permits**

Customer 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, requirements of Section 6 above, and (b) to the extent that future requirements may require, obtain any governmental authorizations or permits required for the operation of the Facility. Customer shall reimburse the District for any and all losses, damages, claims, penalties, or liability the District incurs as a result of Customer's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of the Customer's Facility.

**8. Access To Premises**

The District may enter Customer's premises without prior notice (a) to inspect, at all reasonable hours, Customer's protective devices and read or test any meter for the Facility and (b) to disconnect, at any time, without notice, the Facility if, in the District's sole opinion, a hazardous condition exists and that immediate action is necessary to protect persons, or the District's facilities, or property of others from damage or interference caused by (1) Customer's Facility, or (2) Customer's failure to comply with the requirements to this Agreement.

## 9. Indemnity And Liability By Customer

Customer shall indemnify and hold the District, its directors, officers, agents and employees harmless against all loss, damages expense and liability to third persons for injury to or death of persons or injury to property caused by the Customer's engineering design, construction, installation, ownership, maintenance or operation of the Facility in connection with this Agreement by reason of omission or negligence, whether active or passive. Customer shall, on the District's request, defend any suit asserting a claim covered by this indemnity. Customer shall pay all costs that may be incurred by the District in enforcing this indemnity,

Nothing in this Agreement shall be constructed to create a duty to, any standard of care with reference to, or any liability to, any person not a Party to this Agreement. Neither the District, its officers, agents nor employees shall be liable for any claims, demands, costs, losses, causes of action, or any other construction, ownership, maintenance or operation of, or making of replacements, additions or betterment to, Customer's Facility except to the extent actually caused by the sole and gross negligence of the District.

Neither the District, its officers, agents or employees shall be liable for damages of any kind to the Facility caused by any electrical disturbance of the District system or on the system of another, whether or not the electrical disturbance results from the negligence of the District.

## 10. Insurance

To the extent that Customer has currently in force all risk property insurance and comprehensive personal liability insurance, Customer agrees that it will maintain such insurance in force for the duration of this Agreement in no less amounts than those currently in effect. The District shall have the right to inspect or obtain a copy of the original policy or policies of insurance prior to commencing operation. Such insurance shall, by endorsement to the policy or policies, name the District as an additional insured and provide for thirty (30) calendar days written notice to the District prior to cancellation, termination, alteration, or material change of such insurance.

## 11. 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.

## 12. Amendment Modifications Or Waiver

Any amendments or modifications to this Agreement shall be in writing and agreed to by both Parties. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or a waiver of the breach of any other term or covenant unless such waiver is in writing.

## 13. Notices

All written notices shall be directed as follows:

**DISTRICT:**

Merced Irrigation District  
Electric Services  
P.O. Box 2288  
Merced, CA 95344-0288  
ATTN: Public Purpose Program Manager

**CUSTOMER:** Customer name and address as shown in Section 1.4.

Customer's notices to the District pursuant to this Section 13 must refer to the Generating Facility Identification Number set forth in Section 1.1.

**14. Term of Agreement**

This Agreement shall be in effect when signed by the Customer and the District. This agreement shall remain in effect until terminated by either Party providing thirty (30) days prior written notice to the other Party in accordance with Sections 13.

**15. Successors And Assigns**

This Agreement is and shall be binding on all successors and assigns of each of the Parties hereto without the necessity of any further documentation.

**Customer**

**Merced Irrigation District**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date