

INTERCONNECTION AGREEMENT
FOR NON-UTILITY GENERATION: CLASS A, B, C AND D FACILITIES
(Up to 5,000 kVA)

This Interconnection Agreement (“Agreement”) is made and entered into this ____ day of _____ 20__, by Chugach Electric Association, Inc. (“Utility”) and _____ (“Customer”), a _____ (specify whether corporation or other), each hereinafter sometimes referred to individually as “Party” or collectively as the “Parties.”

I. AGREEMENT

Section 1.

Customer has developed a Class A [fill in A, B, C or D] Non-Utility Generation Facility (“Facility”) as that Class of Facility is described in the Utility’s Interconnection and Operating Guidelines for Non-Utility Generation approved by the Regulatory Commission of Alaska (“Commission”). A more detailed description of the Facility is set out herein. The Customer proposes to interconnect and operate the Facility in parallel with the Utility’s electric power generation, transmission and distribution system. The Utility agrees to permit Customer to interconnect the Facility and operate it in parallel under the terms and conditions set out in this Agreement and the Customer agrees to the terms and conditions set out in this Agreement as a condition of interconnection. The Parties agree that this Agreement does not cover the purchase or sale of electric energy or power between them and that the purchase or sale of electric power or energy, if any, between the Parties will be governed by a separate contract or by tariffs approved by the Commission. In consideration of the mutual covenants set forth herein, the Parties further agree as set out below.

II. INFORMATION

Section 1. Customer Information

Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Facility Location (if different from above): _____
Daytime Phone: _____ Evening Phone: _____
Utility Customer Account (from electric bill): _____

Section 2. Generation Facility Information

Facility Type: (circle one) Solar Wind Hydro Geothermal Biomass Fuel
Cell Gas Turbine Reciprocating gasoline, natural gas or diesel engine
other _____ (describe)
Generator Rating (kVA _____ and kW _____): AC or DC, single-phase or three-phase (circle one)
Describe Location of Lockable Disconnect accessible at all times to the Utility: _____
Inverter Manufacturer: _____ Inverter Model: _____
Inverter Location: _____ Inverter Power Rating: _____

Accurate detailed electrical diagram is attached.

Planned installation entity: _____ License Type & No.: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Planned Installation Date: _____

Section 3. Certifications

The Customer certifies:

1. The Facility is located on premises that are owned, operated, leased, or otherwise controlled by the Customer;
2. The Customer has all necessary rights and authority to enter into this Agreement and perform all obligation of Customer as described herein;

and

3. The Facility shall not be used to offset or provide credits for electric consumption at another location of the Customer or for any other customer.

The Facility has been installed to Owner's satisfaction and Owner has been given Facility warranty information, an operation manual, and has been instructed in the operation of the Facility.

Signed (Owner): _____ Date: _____

III. SPECIFIC REQUIREMENTS FOR ELECTRICAL INTERCONNECTION

Section 1. Terms of tariff and regulations apply

The Parties agree that the terms and conditions of interconnection shall be governed by interconnection standards approved by the Regulatory Commission of Alaska, whether by tariff or regulation, and by this Agreement. In the event of a conflict of terms, State of Alaska regulations, Regulatory Commission of Alaska-approved tariffs shall prevail.

Section 2. Interruption or Reduction of Deliveries

Notwithstanding any other provision of this Agreement, if at any time the Utility determines that either the facility may endanger the Utility's personnel, other persons, Utility property or other property; or where the continued operation of the Customer's facility may endanger the integrity or safety of the Utility's electric system, the Utility shall have the right to disconnect and lock out the Customer's facility from the Utility's electric system. The Customer's facility shall remain disconnected until such time as the Utility is satisfied that the conditions referenced in this Section have been corrected. Whenever possible, the Utility shall give the Customer such reasonable notice as is possible under the circumstances of the possibility that interruption or reduction of deliveries may be required.

Section 3. Prior Approvals Relating to Interconnection

Customer shall not commence parallel operation until the facility has been inspected and approved by the Utility under applicable legal and regulatory standards, the Utility's tariff, Interconnection and Operating Guidelines for Non-Utility Generation and this Agreement. Such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Utility's approval to operate the Customer's facility in parallel with the Utility's electrical system does not represent an endorsement, confirmation, warranty, guarantee, or representation concerning the safety, operating characteristics, durability, or reliability of the Customer's facility and is specifically agreed not to be intended for the benefit of and is not to be relied on by third parties.

Modifications or changes to the facility that: 1) may materially affect compliance with the General Requirements, Interconnection Equipment Requirements of Interconnected Operating Requirements as specified in Sections 3, 4 and 5 of the Interconnection and Operating Guidelines for Non-Utility Generation approved by the Regulatory Commission of Alaska; 2) may affect the safety of operation of the Customer's facility as to life or property; 3) may violate applicable legal or regulatory standards or 4) may violate this Agreement, shall be submitted for evaluation and approval by the Utility prior to being implemented. The Customer shall provide detailed information to the Utility in writing describing the proposed modifications or changes. The Utility shall review the proposed changes to the facility and provide the results of its evaluation within forty-five (45) calendar days of receipt of the Customer's proposal. If, after review, Utility believes the modifications would prevent parallel operation due to violation of applicable safety and/or power generation standards, the Utility shall provide the Customer with a written explanation of the item(s) of concern and a written description of the modification(s) necessary to remedy the violations. Provided the proposed changes are consistent with the Utility's tariff; applicable laws and regulations; the Utility's Interconnection and Operating Guidelines for Non-Utility Generation and can reasonably be expected to allow parallel operation of the Facility without undue risk to life, health, safety or unreasonable risk to property, the parties shall agree in writing to the change as an amendment to this Agreement or enter into a new interconnection agreement to cover the newly proposed modifications or changes to the Facility.

Section 4. Maintenance and Permits

The Customer shall obtain all governmental authorizations and permits required for the construction and operation of the interconnection facilities. The Customer shall maintain the interconnection facilities in conformance with the Utility's tariff; applicable laws and regulations; and the Utility's Interconnection and Operating Guidelines for Non-Utility Generation.

Section 5. Access to Premises

Customer shall assure that at all times the Utility has access to protective devices, including keys or combinations, codes or the like needed to operate those devices as may be necessary to protect life, safety and property. The Utility may enter the Customer's premises to inspect the Customer's protective devices and read or test the meter at reasonable times to be arranged with the Customer. The Utility may disconnect the interconnection facilities without notice if the Utility determines a hazardous condition endangering life, health or property exists.

IV. GENERAL PROVISIONS

Section 1. Indemnity, Defense & Hold Harmless

The Customer acknowledges and agrees that it is the Customer's obligation and sole responsibility to build, operate and maintain its facilities in such a way as to protect the life, safety and property of others. Except as otherwise provided in AS 45.45.900, the Customer shall indemnify, save harmless and defend Chugach, its officers, agents and employees from any and all liability, including without limitation all damages, attorneys fees, and expenses, for all actions and/or claims, including without limitation claims for contribution or indemnification, resulting from deaths, injuries, loss or damages sustained by any person or property arising directly or indirectly as a result of any error, omission, act or failure to act on the part of the Customer, and/or any of its contractors and/or anyone, including but not limited to Chugach, its officers, agents, and employees, directly or indirectly employed or utilized by the Customer or otherwise involved in the preparation for and/or the performance of this Agreement.

Section 2. Dispute Resolution

Except where immediate injunctive relief is required, disputes as to interconnection under this Agreement shall be brought before the Commission for resolution in accordance with its rules and procedures.

Section 3. Governing Law and Jurisdiction

All proceedings not brought before the Commission, whether judicial or otherwise, arising out of, or relating in any manner whatsoever to this Agreement shall be conducted in the state or federal courts of competent jurisdiction located in the Third Judicial District, State of Alaska or, at Chugach’s exclusive option, through arbitration conducted in Anchorage, Alaska. Insofar as is necessary, the parties hereby consent and submit to jurisdiction of said courts and arbitrators.

This Agreement is made subject to and shall be governed and construed in accordance with the laws of the State of Alaska without giving effect to principles of conflict of law.

Section 4. Notices

All written notices shall be directed as follows:

Manager, Distribution Support Engineering
Chugach Electric Association, Inc.
5601 Electron Drive
P. O. Box 196300
Anchorage, AK 99519-6300

Customer: _____
Name: _____
Address: _____
City: _____

Customer’s notices to Utility shall refer to the Customer’s electric service account number set forth in Section 1 of this Agreement.

Section 5. Entire Agreement

The terms of this Agreement and any provisions adopted by reference or otherwise incorporated into this Agreement set forth the full intent of the parties regarding the matters covered by this Agreement. Neither party is relying on or may rely on any written or oral collateral, prior, or contemporaneous agreements, assurances, representations or warranties not set forth in this Agreement. No modifications of this Agreement shall be implied in law or equity, nor may any part hereof be amended, supplemented, waived or modified without an instrument in writing signed by both parties.

Section 6. Assignment

This Agreement and all provisions hereof shall inure to and be binding upon the respective parties hereto, their personal representatives, heirs, successors, and assigns. The Customer shall not assign this Agreement or any part hereof without the prior written consent of the Utility, which consent shall not be unreasonably withheld. Unauthorized assignment may result in termination of this Agreement.

Section 7. Effective Date

This Agreement shall become from the latter of the dates entered below the signatures on this Agreement. This Agreement shall remain effective until terminated.

Section 8. Events of Default, Termination and Force Majeure

At its option after the required notice as provided below, the Utility may terminate this Agreement where the Customer breaches any curable non-monetary material obligation to operate and maintain the Facility

consistent with: 1) the General Requirements, Interconnection Equipment Requirements of Interconnected Operating Requirements as specified in Sections 3, 4 and 5 of the Interconnection and Operating Guidelines for Non-Utility Generation approved by the Regulatory Commission of Alaska; 2) the safe of operation of the Customer's facility as to life or property; or 3) applicable legal or regulatory standards. The Utility may terminate this Agreement only if the Utility fails to cure such breach within sixty (60) days after written notification by Utility of the breach. Material modifications or changes to the Facility that are related to the breach shall be reviewed for possible approval in accordance with Section III.3. above. This Agreement shall not be terminated based on Customer's breach where Customer's performance is prevented by Force Majeure (as provided in the following paragraph) or a material default by Utility under this Agreement. Nothing shall prevent the Utility from exercising its rights to take immediate actions it deems necessary to protect life, public health, safety or property. After the effective date of a termination, this Agreement shall not be construed to provide any residual value to either Party or any successor or any other Person, for rights to, use of, or benefits from the Facility or the Utility's system.

The performance of each Party under this Agreement may be subject to interruptions or reductions due to an event of Force Majeure. The term "Force Majeure" shall mean an event or circumstance beyond the control of the Party claiming Force Majeure, which, by exercise of due diligence and foresight, could not reasonably have been avoided to the extent it causes the Facility to be physically incapable of operating in compliance with this Agreement. Force Majeure may include an emergency, drought, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance, sabotage, strike of a regional or national nature and act of God or any other cause beyond the control of the Party claiming Force Majeure. The obligation to use due diligence shall not be interpreted to require resolution of labor disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. The Party rendered unable to fulfill any obligation by reason of a Force Majeure shall take all actions reasonably necessary to remove such inability promptly and diligently and nothing herein shall be construed as permitting nonperforming Party to continue to fail to perform after said cause has been removed. "Force Majeure" shall not include general inclement weather normally experienced within the vicinity of the Customer, unavailability of equipment, repairs or spare parts for the Facility, except to the extent due to a qualifying event of Force Majeure; inability to obtain, maintain or renew any permit or any delay in obtaining, maintaining or renewing any permit; litigation or administrative or judicial action pertaining to this Agreement, the Facility, the acquisition, maintenance or renewal of financing or any permits, or the design, construction, maintenance or operation of the Facility; any acts or omissions of any third party, including any vendor or supplier of Customer, except to the extent due to a qualifying event of Force Majeure; or any mechanical or equipment breakdown or other mishap at the Facility or events or conditions attributable to normal wear and tear or flaws or failure to operate or maintain such component in accordance with prudent practices, unless such mishap is caused by a qualifying event of Force Majeure.

Section 9. Remedies cumulative

No remedy conferred upon or reserved to the Parties hereto is intended to be exclusive of an other remedy available hereunder or now or hereafter existing at law, in equity, by statute, regulation, tariff or otherwise, but each and every such remedy shall be cumulative and shall be in addition to every other such remedy. The pursuit by either Party of any specific remedy shall not be deemed to be an election of that remedy to the exclusion of any other, whether provided hereunder or by law, equity or statute.

Section 10. Authority to enter into agreement

Except where the Customer is an individual person, the undersigned warrant that they have authority to bind their respective principles by their signatures hereon.

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

(CUSTOMER)

By: _____

Title: _____

Dated this __day of _____, 20__

Mailing Address:

CHUGACH ELECTRIC ASSOCIATION, INC.

By: _____

Title: _____

Dated this __day of _____, 20__

Mailing Address:

Attachment A
Certification of Contractor/Installer

I certify that the Facility described as:

has been installed in compliance with Chugach Interconnection Guidelines for Non-Utility Generation, Electric Service Requirements Manuals, and Operating Tariff.

Signed (Contractor): _____ Date: _____