

MEMPHIS LIGHT, GAS AND WATER
INTERCONNECTION AND PARALLEL OPERATION AGREEMENT
FOR RENEWABLE GENERATION THROUGH TVA GENERATION PARTNERS PROGRAM

TEMPLATE—MLGW to complete all fields in blue highlight after application is approved by TVA

This Interconnection Agreement (“Agreement”) is made and entered into by Memphis Light, Gas and Water, (“MLGW”), a municipal corporation created and existing under and by virtue of the laws of the State of Tennessee, and [REDACTED] who has executed a participation agreement under the TVA Generation Partners Program and hereinafter referred to as Participant, and

WHEREAS, the Participant has requested interconnection services to purchase the output of renewable generation that is owned by the Participant or a third party (see attached Application for Interconnection of Distributed Generation) at the Participant’s presently metered location, which is [REDACTED].

Now, therefore, for and in consideration of the mutual covenants and agreements set forth herein, the Parties agree as follows:

1. Scope of Agreement

- 1.1. This Agreement is applicable to conditions under which MLGW and the Participant agree that one or more generating systems and all related interconnection equipment (described in the Application for Interconnection of Distributed Generation attached to this agreement and hereinafter referred to as “Qualifying System”) located at Participant’s presently metered location with gross power rating of [REDACTED] kW may be interconnected to MLGW’s electric power distribution system (“System”). Execution of this agreement allows the Participant to proceed with procurement and installation of the system **but Participant is not allowed to proceed with parallel operation** until Code Enforcement has approved the installation and MLGW has: conducted an onsite inspection, witnessed any required commissioning test or waived such test, installed appropriate metering and given Participant written authorization to proceed with parallel operation, via an executed copy of the Acceptance of Qualifying System.

2. Establishment of Point of Interconnection

- 2.1. MLGW and Participant agree to interconnect at a point to be determined by MLGW, based on each Participant’s unique situation, in accordance with MLGW’s rules, regulations, by-laws, and rates (the “Rules”) which are incorporated herein by reference and the generator and all related interconnection equipment will comply with MLGW’s Distributed Generation Interconnection Procedures which are incorporated herein by reference.

3. General Responsibilities of the Parties

- 3.1. MLGW has reviewed the proposed generation and related equipment as described in the Application for compliance with MLGW’s Interconnection Procedures and approved the Qualifying System for interconnection based on one of the following conditions:
- 3.1.1. Qualifying System has been certified as meeting the applicable MLGW and TVA standards and has passed the Fast Track Screening Process, or
- 3.1.2. MLGW, in agreement with Participant, has conducted any additional engineering evaluations or detailed impact studies required for interconnection and any necessary System upgrades or changes identified by these additional studies have been implemented and Participant has paid for such changes where necessary;
- 3.2. Participant shall comply with all applicable laws, regulations, zoning codes, building codes, safety rules and environmental restrictions, including the latest version of the National Electrical Code applicable to the design, installation, operation and maintenance of its Qualifying System.

- 3.3. Participants with Qualifying Systems greater than 10 kW may be required to provide a voice-quality analog telephone line with RJ-11 jack at the site of the generation meter to facilitate daily collection of the generation system's interval data. This does not need to be a dedicated phone line, but it cannot be shared with a fax machine, modem, PBX or other always-on equipment. Such telecommunications will be required if sufficient cellular coverage is not available at the site to enable use of a Generation Meter with a cellular modem.
- 3.4. After Code Enforcement has completed applicable inspections and notified MLGW of acceptance, MLGW will inspect the Qualifying System for compliance with System standards which may include a witness test. MLGW must provide written authorization before Participant can begin parallel operation. Inspection or authorization by MLGW shall not relieve Participant of any responsibilities pursuant to this Agreement. Once this process is complete, MLGW will install the generation meter.
- 3.5. Participant shall conduct operations of its Qualifying System in compliance with all aspects of the Rules and in accordance with industry standard prudent engineering practice and must comply with the latest version of IEEE 519.
- 3.6. Participant shall be responsible for protecting its renewable generation equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the System in delivering and restoring power; and shall be responsible for ensuring that the Qualifying System is inspected, maintained, and tested on an ongoing basis in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely. MLGW will have the right to request and receive copies of the test results.

4. Inspection and On-Going Compliance

- 4.1. MLGW will provide Participant with as much notice as reasonably practicable, either in writing, e-mail, facsimile or by phone, as to when MLGW may conduct inspection and/or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, MLGW shall have access to the Participant's premises for the purpose of accessing the manual disconnect switch, performing an inspection or disconnection, or, if necessary, to meet MLGW's legal obligation to provide service to its customers.

5. Manual Disconnect Switch

- 5.1. Participant must install a manual, lockable, visible load break AC disconnect switch between the inverter and MLGW's meter socket. (An optional DC disconnect switch is recommended between the generation source and inverter.) The AC switch must be visibly marked "**Generation Partners Disconnect**". The Participant shall ensure that the AC manual disconnect switch shall remain readily accessible to MLGW and be capable of being locked in the open position with a single MLGW utility padlock. A permanent, weatherproof single line diagram of the renewable generation facility must be located adjacent to the AC disconnect switch. Names and current telephone numbers of at least two persons authorized to provide access to the facility that have authority to make decisions regarding the interconnection and operation of the Qualifying System must be posted.

6. Disconnection / Reconnection

- 6.1. MLGW may open the manual disconnect switch or disconnect the Participant's generation meter, pursuant to the conditions set forth in Section 6.2 below, isolating the Qualifying System, without prior notice to the Participant. To the extent practicable, however, prior notice shall be given. If prior notice is not given, MLGW shall at the time of disconnection notify the Participant that its Participant-owned renewable generation has been disconnected through direct contact or written notification left onsite. As soon as practicable after the condition(s) necessitating disconnection has been remedied, MLGW will unlock the disconnect switch so Participant may reenergize the Qualifying System.
- 6.2. MLGW has the right to disconnect the Participant-owned renewable generation at any time. Some examples of situations that may require disconnection are:

- 6.2.1. Emergencies or maintenance requirements on MLGW's system;
- 6.2.2. Hazardous conditions existing on MLGW's system due to the operation of the Participant's generating or protective equipment as determined by MLGW; and
- 6.2.3. Adverse electrical effects, such as power quality problems, on the electrical equipment of MLGW's other electric consumers caused by the Participant-owned renewable generation as determined by MLGW.

7. Modifications/Additions to Participant-owned Renewable Generation

- 7.1. If the Qualifying System is subsequently modified in order to increase or decrease its gross power rating or any components are changed, the Participant must provide MLGW with written notification that fully describes the proposed modifications at least thirty (30) calendar days prior to making the modifications. At such time, MLGW will either notify Participant of approval or will notify Participant that such changes will invalidate its Generation Partners Participation Agreement.

8. Indemnity

- 8.1. Participant agrees to release, indemnify, and save harmless MLGW, TVA, the United States of America, and their respective agents and employees from all liability, claims, demands, causes of action, costs, including MLGW's attorney fees and expenses, or losses for personal injuries, property damage, or loss of life or property, sustained by Participant, Participant's agents and family, or third parties arising out of or in any way connected with the installation, testing, operation, maintenance, repair, replacement, removal, defect, or failure of Participant's Qualifying System. The obligations of this section 8.1 shall survive termination of this Agreement. Nothing in this Agreement shall serve to limit the Participant's obligation under this section 8.1, Indemnity.

9. Assignment

- 9.1. The Interconnection Agreement shall not be assignable by either party without thirty (30) calendar days notice to the other Party and written consent of the other Party, which consent shall not be unreasonably withheld or delayed.
- 9.2. An assignee to this Interconnection Agreement shall be required to assume in writing the Participant's rights, responsibilities, and obligations under this Interconnection Agreement.

10. Insurance

- 10.1. Participant shall take out and maintain public liability and property damage liability insurance covering all operations under this Agreement. Limits for bodily injury or death shall be not less than Three Hundred Thousand Dollars (\$300,000) for any one (1) person in any one (1) accident, occurrence or act; not less than Seven Hundred Thousand Dollars (\$700,000) for bodily injury or death of all persons in any one (1) accident, occurrence or act; Two Hundred Fifty Thousand Dollars (\$250,000) for injury and destruction of property of others in any one (1) accident, occurrence or act. Participant shall provide insurance certificate (or comparable document for self-insured entities) upon application.

11. Effective Term and Termination Rights

- 11.1. This Agreement becomes effective when executed by both Parties and shall continue in effect as long as the Generation Partners Participation Agreement between MLGW and Participant is in effect. This Agreement will be terminated immediately upon the termination of the Generation Partners Participation Agreement. This Agreement may be terminated by either party upon the breach of terms of the Agreement and failure to remedy within a reasonable period of time by the other party.

12. Entirety of Agreement and Prior Agreements Superseded

- 12.1. This Agreement, including the Rules, the Generation Partners Participation Agreement, executed by MLGW and Participant, and all attached Exhibits, are expressly made a part hereof for all purposes, and constitutes the entire agreement and understanding between the Parties with

regard to the interconnection of the Qualifying System of the Parties at the Point of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein, in the Participant's Application for Interconnection of Distributed Generation, Certificate of Completion, Generation Partners Participation Agreement, or other written information provided by the Participant in compliance with the Rules.

13. Notices

13.1. Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

(a) If to MLGW:
Memphis Light, Gas and Water
ATTN: Becky Williamson/Energy Services & Marketing
220 South Main Street
Memphis, TN 38103

(b) If to Participant:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other.

14. Applicable Law

14.1. The Agreement shall be governed pursuant to the laws of Tennessee.

15. Severability

15.1. If one or more of the provisions of this Agreement are found to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of the Agreement shall not be affected.

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

Memphis Light, Gas and Water:
BY: _____
Christopher Bieber

TITLE: Vice President of Customer Care

DATE: _____

Participant:
BY: _____

TITLE: _____

DATE: _____