FUEL CELL ELECTRICAL GENERATING FACILITY
NET ENERGY METERING
AND INTERCONNECTION AGREEMENT

Form 14-755
This Fuel Cell Electrical Generating Facility Net Energy Metering and Interconnection Agreement ("Agreement") is entered into by ________________________________(Producer's Name), a ________________(form of entity & state of registration) ("Producer"), and Southern California Edison Company ("SCE"), a California corporation. For the purposes of this Agreement, Producer must be the same entity as the Customer taking electric service from SCE at the Host Facility’s Location identified in Section 2.2. Producer and SCE are sometimes also referred to in this Agreement jointly as “Parties” or individually as “Party.” In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

1. SCOPE AND PURPOSE

This Agreement provides for Producer, as an Eligible Fuel Cell customer-generator to interconnect and operate an Eligible Fuel Cell electrical generating facility (“Generating Facility”), as both terms are defined in Section 2827.10 of the California Public Utilities Code, in parallel with SCE’s Distribution System to serve the electrical loads at the location identified in Section 2.2. Further, if the amount of energy produced by the Generating Facility exceeds the amount of energy consumed by the electrical loads directly connected to the Generating Facility, Producer may deliver surplus energy to SCE’s Distribution System in conformance with the Net Energy Metering provisions of SCE’s Schedule FC-NEM, Fuel Cell Net Energy Metering, and accrue credits to be used pursuant to the terms and conditions of Schedule FC-NEM. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer. Such arrangements must be made separately between SCE and Producer.

2. SUMMARY AND DESCRIPTION OF PRODUCER’S GENERATING FACILITY

2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Producer’s Generating Facility and loads are interconnected with SCE’s Distribution System, is attached as Appendix A and is, by this reference, incorporated into and made a part of this Agreement.

2.2 Name and address used by SCE to locate the Electric Service Account(s) used to interconnect the Generating Facility with SCE’s Distribution System:

____________________________________

____________________________________

2.3 The Gross Nameplate Rating of the Generating Facility is _______ kW.

2.4 The Net Nameplate Rating of the Generating Facility is _______ kW.

2.5 The monthly energy production of the Generating Facility is expected to be _______ kWh.

2.6 The monthly amount of surplus energy to be delivered to SCE’s Distribution System is expected to be _______ kWh.
2.7 The maximum (instantaneous) level of power that may be delivered to SCE’s Distribution System is ________ kW.

2.8 The expected date of Initial Operation must be within one year of the date of this Agreement, and the Generating Facility must commence operation no later than December 31, 2021.

2.9 Producer hereby declares that it meets the requirements for an Eligible Fuel Cell customer-generator and that the Generating Facility meets the requirements for a Fuel Cell Electrical Generating Facility, as both terms are defined in Section 2827.10 of the California Public Utilities Code (see Appendix D).

3. DOCUMENTS INCLUDED

This Agreement includes the following attachments, all of which are specifically incorporated into and made a part of this Agreement by this reference.

Appendix A - Description of Generating Facility and Single-Line Diagram
Appendix B - Interconnection Facility Financing and Ownership Agreement
Appendix C - Schedule FC-NEM, Fuel Cell Net Energy Metering
Appendix D - Producer’s warranty that it meets the requirements for an Eligible Fuel Cell customer-generator and that the Generating Facility meets the requirements for an Eligible Fuel Cell electrical generating facility, both as defined in Section 2827.10 of the California Public Utilities Code.

Appendix E - List of eligible TOU-metered service accounts to be aggregated, pursuant to the provisions of Schedule FC-NEM, Special Condition 4

4. TERM AND TERMINATION

4.1 This Agreement will become effective when SCE issues written authorization to interconnect the Generating Facility after receipt of all required documents, including this completed Agreement signed by the Producer and SCE. The Agreement will continue in full force and effect until the earliest date that one of the following events occurs:

(a) The Parties agree in writing to terminate the Agreement; or

(b) Unless otherwise agreed in writing by the Parties, at 12:01 a.m. on the day following the date the electric service account through which Producer’s Generating Facility is Interconnected to SCE’s Distribution System is closed or terminated; or

(c) At 12:01 a.m. 61 days after Producer or SCE provides written Notice pursuant to Section 9 of this Agreement to the other Party of Producer or SCE’s intent to terminate this Agreement; or
(d) The operating life of the Eligible Fuel Cell Electrical Generating Facility has been exceeded.

4.2 Producer may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any reason. SCE may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any of the following reasons:

(a) A change in applicable tariffs as approved or directed by the California Public Utilities Commission ("Commission") or a change in any local, state or federal law, statute or regulation, any of which materially alters or otherwise affects SCE's ability or obligation to perform SCE's duties under this Agreement; or

(b) Unless otherwise agreed in writing by the Parties, Producer fails to take all corrective actions specified in SCE's Notice that Producer's Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or

(c) Producer fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to 120 days after the date set forth in Section 2.8 of this Agreement as the Generating Facility's expected date of Initial Operation; or

(d) Producer abandons the Generating Facility. SCE will deem the Generating Facility to be abandoned if SCE determines, in its sole opinion, the Generating Facility is non-operational and Producer does not provide a substantive response to SCE's Notice of its intent to terminate this Agreement as a result of Producer's apparent abandonment of the Generating Facility affirming Producer's intent and ability to continue to operate the Generating Facility.

4.3 Notwithstanding any other provisions of this Agreement, SCE reserves the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application to terminate this Agreement.

4.4 Any agreements attached to and incorporated into this Agreement will terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

5. GENERATING FACILITY OPERATION

5.1 Producer must operate the Generating Facility in compliance with all of SCE's tariffs, including but not limited to SCE's Electric Rule 21, and any other regulations and laws governing the Interconnection of the Generating Facility.

5.2 The electric power produced by Producer's Generating Facility must first be used to serve electrical loads connected to the electric service account that SCE uses to interconnect Producer's Generating Facility. Whenever the amount of electrical power produced by the Generating Facility exceeds Producer's directly connected loads, SCE will receive and utilize all excess production, and the Producer will accrue a credit, as determined by SCE under the terms and conditions of Schedule FC-NEM,
for such surplus power delivered to SCE’s Distribution System.

5.3 Unless the Parties have agreed otherwise in writing, energy delivered to and/or received from SCE under this Agreement will be measured using electrical meter(s) and equipment owned, operated, and maintained by SCE. Such meter(s) must be located or compensated so as to appear to be located at SCE’s Distribution System side of any transformers installed at the Point of Common Coupling.

5.4 The rate of delivery of electric power to SCE’s Distribution System must never exceed the kilowatt level specified in Section 2.7. If Producer’s Generating Facility fails to comply with this limitation, SCE may require Producer to disconnect its Generating Facility from SCE’s Distribution System until Producer demonstrates to SCE’s sole satisfaction that Producer has taken adequate measures to regulate the output of its Generating Facility and to control its deliveries of power to SCE. Further, if SCE determines that Producer’s operation of the Generating Facility is causing an unsafe condition or is adversely affecting SCE’s ability to utilize its Distribution System in any manner, even if Producer’s deliveries of electric power to SCE’s Distribution System are within the specified capacity limit, SCE may require Producer to temporarily or permanently reduce or cease deliveries of electric power to SCE’s Distribution System. Alternatively, the Parties may agree to other corrective measures so as to mitigate the effect of electric power flowing from the Generating Facility to SCE’s Distribution System. Producer’s failure to comply with the terms of this section will constitute a material breach of this Agreement and SCE may terminate under Section 4.2 of this Agreement.

5.5 Producer cannot deliver reactive power to SCE’s Distribution System unless the Parties have agreed otherwise in writing.

5.6 The Generating Facility must be operated with all of Producer’s Protective Functions in service whenever the Generating Facility is operated in parallel with SCE’s Distribution System. Any deviation from these requirements may occur only when the Parties have agreed to such deviations in writing.

6. INTERCONNECTION FACILITIES

6.1 Producer and/or SCE, as appropriate, must provide Interconnection Facilities that adequately protect SCE’s Distribution System, personnel, and other persons from damage or injury that may be caused by the operation of Producer’s Generating Facility.

6.2 Producer will be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Producer owns.

6.3 If the provisions of SCE’s Electric Rule 21, or any other tariff approved by the Commission, require SCE to own and operate a portion of the Interconnection Facilities, Producer and SCE will promptly execute an agreement that establishes and allocates responsibility for the design, installation, operation, maintenance, and ownership of the Interconnection Facilities. Any such agreement must be attached to and be made a part of this Agreement as Appendix B.
7. LIMITATION OF LIABILITY

Each Party’s liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this agreement, is limited to the amount of direct damage actually incurred. Neither Party will be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

8. INSURANCE

8.1 In connection with Producer’s performance of its duties and obligations under this Agreement, Producer must maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

(a) Two million dollars ($2,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than one hundred (100) kW; or

(b) One million dollars ($1,000,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; or

(c) Five hundred thousand dollars ($500,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is twenty (20) kW or less; or

(d) Two hundred thousand dollars ($200,000) for each occurrence if the Gross Nameplate Rating of Producer’s Generating Facility is ten (10) kW or less and Producer’s Generating Facility is connected to an account receiving residential service from SCE.

Such general liability insurance must include coverage for “Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations.”

8.2 The general liability insurance required in Section 8.1 must, by endorsement to the policy or policies, (a) include SCE as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that SCE will not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days’ written notice to SCE prior to cancellation, termination, alteration, or material change of such insurance.

8.3 If Producer’s Generating Facility is connected to an account receiving residential service from SCE and the requirement of Section 8.2(a) prevents Producer from obtaining the insurance required in Section 8.1, then upon Producer’s written Notice to SCE in accordance with Section 9.1, the requirements of Section 8.2(a) will be waived.
8.4 Evidence of the insurance required in Section 8.2 shall state that coverage provided is primary and is not in excess of or contributing with any insurance or self-insurance maintained by SCE.

8.5 Producer agrees to furnish the required certificates and endorsements to SCE before Initial Operation. SCE retains the right to inspect or obtain a copy of the original policy or policies of insurance.

8.6 If Producer is self-insured with an established record of self-insurance, Producer may comply with the following in lieu of Sections 8.1 through 8.4:

(a) Producer will provide to SCE, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 8.1.

(b) If Producer ceases to self-insure to the level required hereunder, or if Producer is unable to provide continuing evidence of Producer’s ability to self-insure, Producer agrees to immediately obtain the coverage required under Section 8.1.

8.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance must be issued and submitted to the following:

Southern California Edison Company
Attn: NEM Program Administrator
SCE Customer Solar & Self Generation
P.O. Box 800
Rosemead, CA 91770

9. NOTICES

9.1 Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") will be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to SCE: Southern California Edison Company
Attn: NEM Program Administrator
SCE Customer Solar & Self Generation
P.O. Box 800
Rosemead, CA 91770

If to Producer: Producer Name
Address: ____________________________________________
City: _____________________________________________
Phone: ( ) _______________________________________
FAX: ( ) _______________________________________

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9.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 9.1.

9.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party’s Notice to the other.

10. REVIEW OF RECORDS AND DATA

10.1 SCE retains the right to review and obtain copies of Producer’s operations and maintenance records, logs, or other information such as, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Producer’s Generating Facility or its Interconnection with SCE’s Distribution System.

10.2 Producer authorizes SCE to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission information regarding the Generating Facility, including the Producer’s name and location, and the size, location and operational characteristics of the Generating Facility, as requested from time to time pursuant to the CEC’s or Commission’s rules and regulations.

11. ASSIGNMENT

Producer cannot voluntarily assign its rights nor delegate its duties under this Agreement without SCE’s written consent. Any assignment or delegation Producer makes without SCE’s written consent will not be valid. SCE must not unreasonably withhold its consent to Producer’s assignment of this Agreement.

12. NON-WAIVER

None of the provisions of this Agreement will be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder will not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same will continue and remain in full force and effect.

13. GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF SCE’s TARIFF SCHEDULES, DEFINED TERMS

13.1 This Agreement must 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 without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.

13.2 This Agreement will, at all times, be subject to changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.
13.3 The interconnection and services provided under this Agreement will at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by SCE. Copies of such tariffs are available at SCE’s Internet site: www.sce.com or by request to SCE and are incorporated into this Agreement by this reference.

13.4 Notwithstanding any other provisions of this Agreement, SCE retains the right to unilaterally file with the Commission, pursuant to the Commission’s rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.

13.5 When initially capitalized, whether in the singular or in the plural, the terms used in this Agreement will have the meanings assigned to them either in this Agreement, or in SCE’s Electric Rule 1, or Electric Rule 21, Section C. If any term is defined in both Electric Rule 1 and Electric Rule 21, the definition in Electric Rule 21 will prevail.

14. AMENDMENTS AND MODIFICATION

This Agreement can only be amended or modified by a written agreement signed by both Parties. SCE has the right to determine in its sole discretion whether prior Commission approval is required for such amendments or modifications.

15. ENTIRE AGREEMENT

This Agreement, including any incorporated tariffs and rules, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement, or in the incorporated tariffs and rules.
16. SIGNATURES

This Agreement may be executed in counterparts, and by Electronic Signature on the part of SCE and/or Producer, and copies of a Party's signed signature page may be transmitted to the other Party by facsimile or other electronic means. Copies of the signature page so transmitted may be used for the purpose of enforcing the terms of this Agreement as though they were originals and will not be made inadmissible in any legal or regulatory proceeding concerning this Agreement on the basis of the Best Evidence Rule or similar rule of admissibility.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the effective date provided in Section 4.1 above.

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APPENDIX A

DESCRIPTION OF GENERATING FACILITY
AND SINGLE-LINE DIAGRAM

(Provided by Producer)
APPENDIX B
(If Applicable)

INTERCONNECTION FACILITIES
FINANCING AND OWNERSHIP AGREEMENT

(Provided by SCE)
APPENDIX C

SCHEDULE FC-NEM
FUEL CELL NET ENERGY METERING
APPENDIX D

PRODUCER’S WARRANTY THAT IT MEETS THE REQUIREMENTS FOR AN ELIGIBLE FUEL CELL CUSTOMER-GENERATOR AND THE GENERATING FACILITY IS AN ELIGIBLE FUEL CELL ELECTRICAL GENERATING FACILITY PURSUANT TO SECTION 2827.10 OF THE CALIFORNIA PUBLIC UTILITIES CODE

Producer has declared that it meets the requirements for an Eligible Fuel Cell customer-generator and the Generating Facility meets the requirements of an “Eligible Fuel Cell Electrical Generating Facility”, as defined section 2827.10 of the California Public Utilities Code (“Eligibility Requirements”).

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, Producer and the Generating Facility shall continue to meet the Eligibility Requirements. If Producer or the Generating Facility ceases to meet the Eligibility Requirements, Producer shall promptly provide SCE with Notice of such change pursuant to Section 9.1 of this Agreement. If, at any time during the term of this Agreement, SCE determines, in its sole discretion, that Producer or Generating Facility may no longer meet the Eligibility Requirements, SCE may require Producer to provide evidence that Producer and/or the Generating Facility continues to meet the Eligibility Requirements, within 15 business days of SCE’s request for such evidence. Additionally, SCE may periodically (typically, once per year) inspect Producer’s Generating Facility and/or require documentation from Producer to monitor the Generating Facility’s compliance with the Eligibility Requirements. If SCE determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the Eligibility Requirements, then the Eligibility Status shall be deemed ineffective until such time as Producer again demonstrates to SCE’s reasonable satisfaction that Producer meets the requirements for an Eligible Fuel Cell customer–generator and/or the Generating Facility meets the requirements for a Eligible Fuel Cell electrical generating facility (the “Eligibility Status Change”). SCE shall revise its records and the administration of this Agreement to reflect the Eligibility Status Change and provide Notice to Producer of the Eligibility Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the Eligibility Status Change. This date shall be the first day of the calendar year for which SCE determines in its sole discretion that the Producer and/or Generating Facility first ceased to meet the Eligibility Requirements. SCE shall invoice the Producer for any tariff charges that were not previously billed during the period between the effective date of the Eligibility Status Change and the date of the Notice in reliance upon Producer’s representations that Producer and/or the Generating Facility complied with the Eligibility Requirements and therefore was eligible for the rate treatment available under the Net Energy Metering provisions of SCE’s Schedule FC-NEM, Fuel Cell Net Energy Metering.

Any amounts to be paid or refunded by Producer, as may be invoiced by SCE pursuant to the terms of this warranty, shall be paid to SCE within 30 days of Producer’s receipt of such invoice.

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1 Pursuant to Special Condition 9 of Schedule FC-NEM, Producers who submit all documentation necessary to receive service on Schedule FC-NEM, including the final electrical inspection clearance, after January 1, 2017 but before the California Air Resources Board (CARB) establishes, and the Commission approves as needed, the schedule of annual greenhouse gas (GHG) emissions reduction standards pursuant to Assembly Bill 1637 (Low, 2016) may be subject to the repayment of any interconnection costs, Departing Load charges, Standby charges, and the loss of NEM credits if their Generating Facilities do not meet the standards, once established (expected to be no later than March 31, 2017).
APPENDIX E
(If Applicable)

LIST OF ELIGIBLE LOAD AGGREGATION SERVICE ACCOUNTS TO BE INCLUDED IN NET ENERGY METERING CALCULATIONS PURSUANT TO SCHEDULE FC-NEM, SPECIAL CONDITION 4