

GRAND HAVEN, MICHIGAN

BOARD of LIGHT and POWER

NET METERING AGREEMENT

FOR CUSTOMER-GENERATOR SYSTEMS

THIS AGREEMENT FOR NET METERING (the "Agreement"), is made as of this _____ day of _____, _____, by and between the Grand Haven, Michigan, Board of Light and Power, (the "Utility") and _____, ("Customer-Generator") for service at _____.

_____ The Utility and the Customer-Generator are sometimes referred to herein individually as "Party" and collectively as the "Parties."

RECITALS

- A. The Utility is a municipal utility engaged in the sale and distribution of electric energy and, pursuant to its Electric Rate Schedules, offers service under Schedule NMSR.
- B. Customer-Generator receives electrical service from the Utility at rates contained in the Utility's Electric Rate Schedules and desires to obtain service from the Utility under Schedule NMSR.
- C. Customer-Generator has installed and desires to operate in parallel with the Utility's electric system, from and after the date of this Agreement, certain electrical equipment at the above location, consisting of _____ and related facilities and equipment ("Generating Facility"), for the purpose of offsetting part, or all, of the Customer-Generator's electric service requirements.
- D. It is anticipated that the Generating Facility may, from time to time, generate less than all of the Customer-Generator's electrical requirements at the Generating Facility location. The Generating Facility may, from time to time, generate energy in excess of the Customer-Generator's electrical requirements at the Generating Facility location.
- E. The Generating Facility and the Utility's electric system are interconnected under the provisions of a separate Interconnection Agreement at one meter location indicated therein and/or in the Generator Interconnection Application submitted by Customer-Generator to the Utility subject to the terms of either the Generator Interconnection Requirements or the Expedited Generator Interconnection Requirements, as appropriate ("Exhibit A" hereto). The Generator Interconnection Application; the Interconnection Agreement; the Generator Interconnection Requirements or the Expedited Generator Interconnection Requirements, as appropriate; any Interconnection Study Agreement; any Contact List; and the Utility's Rate Schedules, Customer-Generator Service Polices, and

General Rules and Provisions (all as the same may be modified by the Utility from time to time), are incorporated herein by this reference.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived therefrom, the Utility and Customer-Generator agree as follows:

1 Service Schedule and Rates

- 1.1 Customer-Generator requests service from the Utility under Schedule NMSR and agrees to receive such service pursuant to the terms and conditions of Schedule NMSR and pursuant to the terms and conditions of this Agreement.
- 1.2 The Utility agrees to provide service to Customer-Generator pursuant to the terms and conditions of Schedule NMSR and at rates reflected in Schedule NMSR ,as such, rates may be revised from time to time upon approval by the Utility's Board of Director's and pursuant to the terms and conditions contained in this Agreement.

2 Parallel Operation

Customer-Generator shall, pursuant and subject to Schedule NMSR and the Interconnection Agreement between Customer-Generator and Utility, deliver into the Utility's electric system all energy generated by the Generating Facility in excess of Customer-Generator's electrical requirements at the Generating Facility location.

3 Aggregate Size Limitation on Net Metering Program

The Net Metering Program size shall be limited to 1% of the Utility's single-hour peak load for the previous year. The Utility will honor requests for interconnection on a "first-come, first-serve basis" as net-metering capacity becomes available.

4 Aggregate Size Limitation on Generating Facility

The purpose of this Agreement is to set the provisions by which customers may install renewable generating equipment to off-set all or a portion of their load at a given location. The Customer-Generator is limited by this Agreement to installing generating equipment not to exceed the expected annual peak demand of the load that the Generating Facility is off-setting.

5 Delivery of Excess Energy Generated by the Generating Facility

- 5.1 Customer-Generator shall deliver into the Utility's electric system at the Point of Delivery all excess electric energy, described in Section 2 above, generated by the Generating Facility. The "Point of Delivery" is the location, as shown on Exhibit B, where the Utility's electric system is interconnected with the Generating Facility. Such excess electric energy

shall be delivered in the form of _____ phase, sixty hertz, alternating current at _____ volts. In no event shall Customer-Generator deliver into the Utility's electric system electric energy at more than five percent above or five percent below such voltage.

5.2 Net Energy Billing Terms and Conditions

- (a) The Utility shall measure the net electricity produced or consumed by the Customer-Generator during each billing period, in accordance with the Utility's normal metering practices
- (b) If the electricity supplied by the Utility to the Customer-Generator exceeds the electricity generated and delivered into the Utility's electric system by the Customer-Generator during the billing period, or any portion thereof, then the Customer-Generator shall be billed at the rate under which the Customer-Generator takes service for the electricity supplied by the Utility. In addition, the Customer-Generator shall be billed the appropriate customer charge paid by other customers in the same rate class for each meter and any other charges, such as Demand and reactive power charges and other charges applicable to energy use and applicable adjusting rates.
- (c) If the electricity generated and delivered into the Utility's electric system by the Customer-Generator during the billing period, or any portion thereof, exceeds the electricity supplied by the Utility to the Customer-Generator, then the Customer-Generator shall be:
 - i. billed for the appropriate customer charge as other customers in the same rate class for each meter and any other charges, including but not limited to Demand and reactive power charges and any applicable adjusting rates; and
 - ii. credited for the net excess kilowatt-hours generated and delivered into the Utility's electric system by the Customer-Generator during the billing period, with this kilowatt-hour credit appearing on the Customer-Generator's bill for the following period used as an offset for the following period's consumption. Any remaining unused kilowatt-hour credit accumulated by the Customer-Generator during the billing period shall be granted to the Utility, without any compensation to the Customer-Generator.
- (d) Customer-Generator shall pay any amount owing for electric service provided by the Utility in accordance with the Utility's applicable rates and policies. Nothing in this Agreement shall limit the Utility's rights under the Utility's applicable Rate

Schedules, Customer-Generator Service Policies, or General Rules and Provisions.

6 Interruption

6.1 At any time, and from time to time, the Utility may disconnect its electric system from the Generating Facility or may interrupt or reduce the flow of energy to or from the Generating Facility if, in the Utility's sole determination, failure to do so

- (a) would interfere with or endanger or adversely affect the Utility's electric system or operations,
- (b) would endanger any person or the property of the Utility, of Customer-Generator, or of any third party, or
- (c) would be unsafe or contrary to prudent electrical practices.

For the purposes of this Agreement "prudent electrical practices" means (a) those practices, methods or acts which when engaged in are commonly used in prudent utility engineering and operations to operate electric equipment lawfully and with safety, reliability, efficiency and expedition; or (b) if no such practices, methods or acts exist, then those practices, methods or acts, in the Utility's exercise of its reasonable judgment considering the facts with applicable law, safety, reliability, efficiency and expedition.

Prudent electrical practices are not limited to the optimum practice, method or act, but rather includes a spectrum of possible practices, methods or acts.

6.2 The Utility shall have no liability (whether arising in contract, tort, strict liability, warranty or otherwise) for any loss or damage whatsoever arising out of any action taken by the Utility pursuant to this Section and Customer-Generator hereby releases the Utility from such liability.

7 Term and Termination

7.1 This Agreement is effective upon the day and year first above written and shall continue for a period of ten (10) years unless terminated as provided herein. Continued service under this Agreement is contingent upon the availability of Schedule NMSR.

7.2 Customer-Generator may disconnect the Generating Facility at any time upon thirty (30) days' notice to the Utility and this Agreement shall terminate upon permanent physical removal of facilities necessary to interconnect the Generating Facility with the Utility's electric system; provided, that all obligations incurred before the termination of this Agreement shall survive such termination and continue in full force and effect until fully satisfied.

7.3 Upon termination, the Utility will remove any unused credits that the Customer-Generator may have accrued, without payment of any kind.

8 Governmental Authority

Customer-Generator shall obtain all governmental authorizations, licenses and permits needed for the construction and operation of the Generating Facility.

9 Interconnection Agreement

Customer-Generator shall have entered into an Interconnection Agreement with the Utility prior to the interconnection of the Generating Facility to the Utility's distribution system. This Agreement shall be null and void at any time when such an Interconnection Agreement is not in effect and the Utility may disconnect the Generating Facility from the Utility's distribution system. The Interconnection Agreement for the Generating Facility under this Agreement is incorporated herein and made a part of this Agreement by its reference.

10 Information

Customer-Generator shall promptly furnish the Utility with copies of such plans, specifications, records, and other information relating to the Generating Facility or the ownership, operation, use, or maintenance of the Generating Facility, as may be reasonably requested by the Utility from time to time. All such information, together with any and all other documents and information furnished to the Utility under this Agreement, shall be given to the Utility on a non-confidential basis.

11 Notices and Other Communications

All notices, requests, demands and other communications required or permitted to be given under this Agreement shall be given in writing (i) by personal delivery, (ii) by recognized overnight air courier service, (iii) by United States postal service, postage prepaid, registered or certified mail, return receipt requested, or (iv) by facsimile transmission, using facsimile equipment providing written confirmation of successful completed transmission to the receiving facsimile number. All notices to either Party shall be made to the address set forth below. Any notice shall be deemed to have been given on the date delivered, if delivered personally, by overnight air courier service or by facsimile transmission; or, if mailed, shall be deemed to have been given on the date shown on the return receipt as the date of delivery.

Addresses for Notification. If to:

Utility: Board of Light and Power
1700 Eaton Drive
Grand Haven, MI 49417
Attn: Net Metering
Tel. (616) 846-6250
FAX (616) 846-3114

Customer: _____

Attn: _____
Tel. () _____
FAX () _____

12 Miscellaneous

- 12.1 This Agreement is subject to the General Rules and Provisions as set forth in the Utility’s Electric Rate Schedules and other Schedules that may apply. Such schedules may be revised from time to time upon approval of the Utility’s Board of Directors. Any conflict between this Agreement and any provisions of the Utility’s approved rate schedules shall be resolved in favor of such Schedule provisions. Terms defined in the Utility’s rate schedules shall have the same meaning when used in this Agreement unless the usage clearly indicates otherwise.
- 12.2 This Agreement and all of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties; provided, that Customer-Generator shall not assign all or any part of this Agreement (or assign any of its rights under this Agreement or delegate performance of any of its obligations under this Agreement) without prior written consent of the Utility.
- 12.3 This Agreement shall in all respects be interpreted, construed and enforced in accordance with the laws of the State of Michigan (without regard to any conflict of law rules). Any action brought by either Party in connection with this Agreement, any of the documents incorporated herein by reference, or any matter relating thereto, shall be brought before the appropriate Michigan state court in Ottawa County, Michigan.
- 12.4 All obligations of the Parties arising pursuant to this Agreement which may reasonably be construed as surviving the completion, termination, or cancellation, including, but not limited to, Section 12 of this Agreement, shall survive the completion, termination or cancellation of this Agreement and shall be and remain fully enforceable in accordance with the terms and conditions of this Agreement.
- 12.5 Nothing in this Agreement shall be construed to create any duty, obligation or liability to, or any standard of care with reference to any

person or entity, other than the Parties (and their respective successors and assigns, subject to this Section).

- 12.6 This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties or to impose any partnership obligations or liability upon either of the Parties.
- 12.7 Except as otherwise provided herein, this Agreement, including all exhibits hereto and all documents incorporated herein by reference, sets forth the entire agreement between the Parties. This Agreement may not be modified or amended except by written amendment, signed by both Parties hereto.

Board of Light & Power

[Customer-Generator]

By _____

By _____

Its _____

Its _____

Date _____

Date _____