

**Agreement for Customer-Generator Systems Incentives Program  
for Renewable Energy Development**

This Incentives Program for Renewable Energy Development Agreement is executed in duplicate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between \_\_\_\_\_ (hereinafter referred to as “Customer-Generator”), and Public Utility District No. 2 of Pacific County (hereinafter referred to as “District”). The Customer-Generator and the District are sometimes referred to herein individually as “the Party” and collectively as “the parties”.

**Recitals:**

The District is a municipal corporation engaged in the sale and distribution of electric energy.

The Customer-Generator receives electrical service from the District at rates contained in the District’s electric schedule and desires to obtain incentive payments from the District.

If the Customer-Generator’s generation system is interconnected with the District’s electric distribution system, the Customer-Generator has previously entered into and is currently engaged in an Interconnection Agreement with the District. Said Agreement contains all terms and conditions necessary for the safe and reliable interconnection of the Customer-Generator’s electrical generation system and allows the parallel operation of said equipment with the District’s distribution network.

All terms and conditions relating to the interconnection of the Customer-Generator’s electrical generation system will only be addressed in the aforementioned Interconnection Agreement. All rules relating to interconnection that may be a part of this Agreement shall be controlled by the aforementioned Interconnection Agreement.

All payment structures, rates, and calculations shall be based upon the table outlined in the Payments section of the Customer-Generator Systems Incentives Program for Renewable Energy Development document.

All applications, Washington State Certifications, exclusions, term of the Program, and customer information terms and conditions shall be based upon the applicable sections of the District’s Customer-Generator Systems Incentive Program for Renewable Energy Development document, which is subject to revision at any time.

The District’s participation in the Washington State Renewable Energy Cost Recovery Program through this Agreement and associated documents is strictly voluntary and may be modified or terminated at any time.

**Agreement:**

The Customer-Generator and the District agree as follows:

1. Definitions –

All terms defined in the District's Electric Rate Schedules, Electric Service regulations and Interconnection Agreement shall have the same meanings in this Agreement unless otherwise indicated.

2. Application –

2.1 First Year Program Participation

2.1.1 To be eligible for payment for renewable energy production during the Program Year (July 1 – June 30), the Customer-Generator must submit the following materials to the District **by 5:00 p.m. August 1<sup>st</sup>**, for the preceding year:

2.1.1.1 Two (2) signed copies of this Agreement.

2.1.1.2 A completed Program Application form.

2.1.1.3 An approved Washington State Department of Revenue  
*Renewable Energy System Cost Recovery Certificate*

If August 1<sup>st</sup> falls on a weekend, the above materials will be due to the District by 5:00 p.m. on the following business day. Late applications will be denied. The Customer-Generator bears sole responsibility for the timely delivery of application materials.

2.1.2 The District shall, within sixty (60) days of receiving a complete application packet, review and notify the Customer-Generator in writing of the application's approval or denial. Denied applications will clearly state the reason for denial and any potential remedies.

2.2 The Customer-Generator, wishing to receive annual incentive payments under the terms of the District's Program, grants to the District the following:

2.2.1 The right to review all application and certification documents provided to the State of Washington and those documents provided by the State of Washington to the Customer-Generator relating to the Program.

2.2.2 All other information necessary to effectuate the processing of the Customer-Generator's application for the Program.

### 2.3 Ongoing Program Participation

2.3.1 Providing legal ownership of the renewable energy system(s) and composition of said system(s) remain the same, a new Program application need not be submitted for the second and subsequent years of Program participation, a completed Program *Annual Renewal Form*, submitted with a Program *Payment Request* form in accordance with Program policies, will suffice.

### 3. Incentive Payments –

In accordance with the terms outlined in the Program document, the District agrees to make an annual incentive payment to the Customer-Generator based upon the annual incentive payment renewal information provided by the Customer-Generator.

### 4. Required Equipment –

4.1 The District shall install and maintain the revenue grade production meter(s) necessary for the District to measure electricity generated by the Customer-Generator's system.

4.2 The District shall provide to the Customer-Generator the necessary District standards pertaining to the type and location of the meter base(s) for the revenue grade production meter(s). The Customer-Generator shall install the meter base(s) for the revenue grade production meter(s) in accordance with those standards. The Customer-Generator shall bear the total cost associated with acquisition, installation, and maintenance of the meter base(s) for the revenue grade production meter(s).

4.3 Generation systems with any form of a battery backup may require one or more advanced revenue grade production meter(s), capable of measuring electricity flowing to the generation system's batteries and electricity flowing from the generation system's batteries. The District's metering standards outline a variety of configurations and the required number of revenue grade production meter(s) necessary to accurately measure generated electricity.

4.4 The Customer-Generator agrees to allow the District all reasonable access to their revenue grade production meter(s).

5. Record Retention –

The Customer-Generator grants to the District, upon three business days written notice, the right to inspect and review the Customer-Generator's records substantiating their right to receive the incentive payments and the correct amount of the incentive payments. The Customer-Generator shall maintain these records for a period of five (5) years as required by state law. All such information, together with any and all other documents and information furnished to the District under this Agreement shall be provided to the District on a non-confidential basis. The District will exercise due diligence in safeguarding personal information.

6. Customer Information –

The Customer-Generator grants the District permission to receive Customer-Generator's personal information related to the Program from the Washington State Department of Revenue and disclose personal information related to the Program to the Washington State Department of Revenue.

7. Miscellaneous –

7.1 This Agreement is subject to District rate schedules, regulations, general rules, provisions, and other policies that may apply. Such policies may be revised from time to time upon approval by the Board of Commissioners of the District. Any conflict between this Agreement and any provisions of the District's approved rate schedules shall be resolved in favor of such schedule provisions.

7.2 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 the 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 the prior written consent of the District.

7.3 The Customer-Generator shall be and act as an independent contractor (and not as an employee, partner, agent, or representative of the District) in the performance of this Agreement.

7.4 This Agreement shall in all respects be interpreted, construed, and enforced in accordance with the laws of the State of Washington (without regard to any conflict of law rules).

7.5 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.

7.6 Except as otherwise provided herein, this Agreement, including all exhibits hereto, and the District's policy 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.

8. Term of Agreement and Termination –

8.1 Upon execution by the Parties, this Agreement is effective as of the date appearing below the District's representative's signature, and shall remain in effect month to month thereafter unless terminated by: 1) the District upon discovery of non-compliance with the Agreement and/or Program terms on the part of the Customer-Generator; or 2) either Party on thirty days' prior written notice; or 3) the conclusion of Washington State's Renewable Energy System Cost Recovery Program in 2014, whichever comes first. Under the Program's current legislative guidelines, July 1, 2013 through June 30, 2014 will be the final Program year.

8.2 In accordance with Program policies, Customer-Generator's wishing to participate in the Program beyond one year shall annually submit to the District an annual incentive payment renewal application in order to maintain eligibility for incentive payments.

8.2.1 Final incentive payment(s) shall be calculated by the kilowatt hours generated and noted on the District's revenue grade production meter at the time of termination.

8.2.2 Any payment(s) for the pro-rated portion(s) due the Customer-Generator at the time of termination will be made in accordance with the Program rules on the regularly scheduled annual date following the end of the current payment period, regardless of the date of termination.

9. Notices and Other Communications –

9.1 Notice Methods and Addresses

All notices, requests, demands, and other communications required or permitted to be given under this Agreement shall be given in writing by:

9.1.1 personal delivery

9.1.2 recognized overnight air courier service

- 9.1.3 by United States postal service, postage prepaid, registered or certified mail, return receipt requested, or
- 9.1.4 by facsimile transmission, using facsimile equipment providing written confirmation of successful completed transmission to the receiving facsimile address.

9.2 All notices to either Party shall be made to the addresses 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.

<p>If to District:</p> <p>Attention: General Manager</p> <p>P.U.D. No. 2 of Pacific County P.O. Box 472 Raymond, WA 98577</p> <p>Telephone: (360) 942-2411 Facsimile: (360) 875-9388</p>	<p>If to Customer-Generator:</p> <p>Name: _____</p> <p>Address: _____ _____ _____</p> <p>Phone: _____ FAX: _____</p>
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10. Signatures –

10.1 In witness whereof, the Parties have caused two originals of this Agreement to be executed by their legally authorized representatives.

<p>Customer-Generator:</p> <p>_____</p> <p>Signature / authorized representative</p> <p>_____</p> <p>Name / authorized representative</p> <p>_____</p> <p>Title</p> <p>_____</p> <p>Date</p>	<p>P.U.D. No. 2 of Pacific County:</p> <p>_____</p> <p>Signature / authorized representative</p> <p>_____</p> <p>Name / authorized representative</p> <p>_____</p> <p>Title</p> <p>_____</p> <p>Date</p>
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