

Tier 2
Standard Interconnection Agreement
Customer-Owned Renewable Generation System

This **Agreement** is made and entered into this _____ day of _____, 20____, by and between _____, (hereinafter called "**Customer**"), located at _____ in _____, Florida, and Beaches Energy Services (hereafter called "**Beaches Energy Services**"), a body politic. Customer and Beaches Energy Services shall collectively be called the "**Parties**". The physical location/premise where the interconnection is taking place: _____.

WITNESSETH

Whereas, a Tier 2 Renewable Generation System (RGS) is an electric generating system that uses one or of more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power as defined in Section 377.803, Florida Statutes, rated at more than 10 kilowatts (10 kW) but not greater than 100 kilowatts (100 kW) alternating current (AC) power output and is primarily intended to offset part or all of the customer's current electric requirements; and

Whereas, Beaches Energy Services operates an electric system serving the Cities of Neptune Beach, Jacksonville Beach and portions of St. Johns County; and

Whereas, Customer has made a written Application to Beaches Energy Services, a copy being attached hereto, to interconnect its RGS with Beaches Energy Services' electrical supply grid at the location identified above; and

Whereas, Beaches Energy Services and the Florida Municipal Power Agency (hereinafter called "FMPA") have entered into the All-Requirements Power Supply Contract pursuant to which Beaches Energy Services has agreed to purchase and receive, and FMPA has agreed to sell and supply Beaches Energy Services with all energy and capacity necessary to operate Beaches Energy Services' electric system, which limits Beaches Energy Services' ability to directly purchase excess energy from customer-owned renewable generation; and

Whereas, in order to promote the development of small customer-owned renewable generation by permitting Beaches Energy Services to allow its customers to interconnect with Beaches Energy Services' electric system and to allow Beaches Energy Services customers to offset their electric consumption with customer-owned renewable generation, FMPA, in accordance with the terms and conditions of this agreement, has agreed to purchase excess customer-owned generation from Beaches Energy Services customers interconnected to Beaches Energy Services' electric system; and

Whereas, Beaches Energy Services desires to provide interconnection of a RGS under conditions which will insure the safety of Beaches Energy Services customers and employees, reliability and integrity of its distribution system;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, the parties hereto covenant and agree as follows:

1. The Customer shall be required to enter into a Tri-Party Net Metering Purchase Power Agreement with FMPA and Beaches Energy Services.
2. "Gross power rating" (GPR) means the total manufacturer's AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with Beaches Energy Services distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
3. This agreement is strictly limited to cover a Tier 2 RGS as defined above. It is the Customer's responsibility to notify Beaches Energy Services of any change to the GPR of the RGS by submitting a new application for interconnection specifying the modifications at least 30 days prior to making the modifications. In no case should modifications to the RGS be made such that the GPR increases above the 2 megawatt (2 MW) limit.
4. The RGS GPR must not exceed 90% of the Customer's Beaches Energy Services distribution service rating at the Customer's location. If the GPR does exceed the 90% limit, the Customer shall be responsible to pay the cost of upgrades to the distribution facilities required to accommodate the GPR capacity and ensure the 90% threshold is not breached.
5. The Customer shall be required to pay a non-refundable application fee of \$320 for the review and processing of the application.
6. The Customer shall fully comply with Beaches Energy Services' Rules and Regulations and Electric Service Specifications as those documents may be amended or revised by Beaches Energy Services from time to time.
7. The Customer certifies that its installation, its operation and its maintenance shall be in compliance with the following standards:
 - a. IEEE-1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power System;
 - b. IEEE-1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnection Distributed Resources with Electric Power Systems;
 - c. UL-1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed *Energy Resources*.
 - d. The National Electric Code, state and/or local building codes, mechanical codes and/or electrical codes;
 - e. The manufacturer's installation, operation and maintenance instructions.
8. The Customer is not precluded from contracting for the lease, operation or maintenance of the RGS with a third party. Such lease may not provide terms or conditions that provide for any payments under the agreement to any way indicate or reflect the purchase of energy produced by

the RGS. Customer shall not enter into any lease agreement that results in the retail purchase of electricity; or the retail sale of electricity from the customer-owned renewable generation. Notwithstanding this restriction, in the event that Customer is determined to have engaged in the retail purchase of electricity from a party other than Beaches Energy Services, then Customer shall be in breach of this Agreement and may be subject to the jurisdiction of the Florida Public Service Commission and to fines/penalties.

9. The Customer shall provide a copy of the manufacturer's installation, operation and maintenance instructions to Beaches Energy Services. If the RGS is leased to the Customer by a third party, or if the operation or maintenance of the RGS is to be performed by a third party, the lease and/or maintenance agreements and any pertinent documents related to these agreements shall be provided to Beaches Energy Services.

10. Prior to commencing parallel operation with Beaches Energy Services' electric system, Customer shall have the RGS inspected and approved by the appropriate code authorities having jurisdiction. Customer shall provide a copy of this inspection and approval to Beaches Energy Services.

11. The Customer agrees to permit Beaches Energy Services, if it should so choose, to inspect the RGS and its component equipment and the documents necessary to ensure compliance with this Agreement both before and after the RGS goes into service and to witness the initial testing of the RGS equipment and protective apparatus. Beaches Energy Services will provide Customer with as much notice as reasonably possible, either in writing, email, facsimile or by phone as to when Beaches Energy Services may conduct inspections and or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Customer agrees to provide Beaches Energy Services access to the Customer's premises for any purpose in connection with the performance of the obligations required by this Agreement or, if necessary, to meet Beaches Energy Services' legal obligation to provide service to its customers. At least ten (10) business days prior to initially placing the customer-owned renewable generation system in service, Customer shall provide written notification to Beaches Energy Services advising Beaches Energy Services of the date and time at which Customer intends to place the system in service, and Beaches Energy Services shall have the right to have personnel present on the in-service date in order to ensure compliance with the requirements of this Agreement.

12. Customer certifies that the RGS equipment includes a utility-interactive inverter or interconnection system equipment that ceases to interconnect with the Beaches Energy Services system upon a loss of Beaches Energy Services power. The inverter shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing laboratory (NRTL) to comply with UL 1741. The NRTL shall be approved by the Occupational Safety & Health Administration (OSHA).

13. If Customer adds another RGS which (i) utilizes the same utility-interactive inverter for both systems; or (ii) utilizes a separate utility-interactive inverter for each system, then Customer shall provide Beaches Energy Services with sixty (60) days advance written notice of the addition.

14. The Customer shall not energize the Beaches Energy Services system when Beaches Energy Services' system is deenergized. The Customer shall cease to energize the Beaches Energy Services system during a faulted condition on the Beaches Energy Services system and/or upon any notice from Beaches Energy Services that the deenergizing of Customer's RGS equipment is necessary. The Customer shall cease to energize the Beaches Energy Services system prior to automatic or non-automatic reclosing of Beaches Energy Services' protective devices. There shall be no intentional islanding, as described in IEEE 1547, between the Customer's and Beaches Energy Services' systems.

15. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on Beaches Energy Services' electric system in delivering and restoring system power. Customer agrees that any damage to any of its property, including, without limitation, all components and related accessories of its RGS system, due to the normal or abnormal operation of Beaches Energy Services' electric system, is at Customer's sole risk and expense. Customer is also responsible for ensuring that the customer-owned renewable generation equipment is inspected, maintained, and tested regularly in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

16. The Customer must install, at their expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the customer-owned renewable generation system and any Customer wiring connected to Beaches Energy Services' electric system such that back feed from the customer-owned renewable generation system to Beaches Energy Services' electric system cannot occur when the switch is in the open position. The manual disconnect switch shall be mounted separate from the meter socket on an exterior surface adjacent to the meter. The switch shall be readily accessible to Beaches Energy Services and capable of being locked in the open position with a Beaches Energy Services padlock. When locked and tagged in the open position by Beaches Energy Services, this switch will be under the control of Beaches Energy Services.

17. Subject to an approved inspection, including installation of acceptable disconnect switch, this Agreement shall be executed by Beaches Energy Services within thirty (30) calendar days of receipt of a completed application. Customer must execute this Agreement and return it to Beaches Energy Services at least thirty (30) calendar days prior to beginning parallel operations with Beaches Energy Services' electric system, subject to the requirements of Sections 18 and 19, below, and within one (1) year after Beaches Energy Services executes this Agreement.

18. Once Beaches Energy Services has received Customer's written documentation that the requirements of this Agreement have been met, all agreements and documentation have been received and the correct operation of the manual switch has been demonstrated to a Beaches Energy Services representative, Beaches Energy Services will, within fifteen (15) business days, send written notice that parallel operation of the RGS may commence.

19. Beaches Energy Services requires the Customer to maintain general liability insurance for personal injury and property damage in the amount of not less than one million dollars (\$1,000,000.00).

20. Beaches Energy Services will furnish, install, own and maintain metering equipment capable of measuring the flow of kilowatt-hours (kWh) of energy. The Customer's service associated with the RGS will be metered to measure the energy delivered by Beaches Energy Services to Customer, and also measure the energy delivered by Customer to Beaches Energy Services. Customer agrees to provide safe and reasonable access to the premises for installation, maintenance and reading of the metering and related equipment. The Customer shall not be responsible for the cost of the installation and maintenance of the metering equipment necessary to measure the energy delivered by the Customer to Beaches Energy Services.

21. The Customer shall be solely responsible for all legal and financial obligations arising from the design, construction, installation, operation, maintenance and ownership of the RGS.

22. The Customer must obtain all permits, inspections and approvals required by applicable jurisdictions with respect to the generating system and must use a licensed, bonded and insured contractor to design and install the generating system. The Customer agrees to provide Beaches Energy Services with a copy of the Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.

23. In no event shall any statement, representation, or lack thereof, either express or implied, by Beaches Energy Services, relieve the Customer of exclusive responsibility for the Customer's system. Specifically, any Beaches Energy Services inspection of the RGS shall not be construed as confirming or endorsing the system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the RGS. Beaches Energy Services' inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any RGS equipment or procedure. Further, as set forth in Sections 15 and 26 of this Agreement, Customer shall remain solely responsible for any and all losses, claims, damages and/or expenses related in any way to the operation or misoperation of its RGS equipment.

24. Notwithstanding any other provision of this Interconnection Agreement, Beaches Energy Services, at its sole and absolute discretion, may isolate the Customer's system from the distribution grid by whatever means necessary, without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Beaches Energy Services shall have no obligation to compensate the Customer for any loss of energy during any and all periods when Customer's RGS is operating at reduced capacity or is disconnected from Beaches Energy Services' electrical distribution system pursuant to this Interconnection Agreement. Typical conditions which may require the disconnection of the Customer's system include, but are not limited to, the following:

- a. Beaches Energy Services utility system emergencies, forced outages, uncontrollable forces or compliance with prudent electric utility practice.

- b. When necessary to investigate, inspect, construct, install, maintain, repair, replace or remove any Beaches Energy Services equipment, any part of Beaches Energy Services' electrical distribution system or Customer's generating system.
- c. Hazardous conditions existing on Beaches Energy Services' utility system due to the operation of the Customer's generation or protective equipment as determined by Beaches Energy Services.
- d. Adverse electrical effects (such as power quality problems) on the electrical equipment of Beaches Energy Services' other electric consumers caused by the Customer's generation as determined by Beaches Energy Services
- e. When Customer is in breach of any of its obligations under this Interconnection Agreement or any other applicable policies and procedures of Beaches Energy Services.
- f. When the Customer fails to make any payments due to Beaches Energy Services by the due date thereof.

25. Upon termination of services pursuant to this Agreement, Beaches Energy Services shall open and padlock the manual disconnect switch and remove any additional metering equipment related to this Agreement. At the Customer's expense, within thirty (30) working days following the termination, the Customer shall permanently isolate the RGS and any associated equipment from Beaches Energy Services' electric supply system, notify Beaches Energy Services that the isolation is complete, and coordinate with Beaches Energy Services for return of Beaches Energy Services' lock.

26. To the fullest extent permitted by law, and in return for adequate, separate consideration, Customer shall indemnify, defend and hold harmless Beaches Energy Services, any and all of their members of its governing bodies, and its officers, agents, and employees for, from and against any and all claims, demands, suits, costs of defense, attorneys' fees, witness fees of any type, losses, damages, expenses, and liabilities, whether direct, indirect or consequential, related to, arising from, or in any way connected with:

- a. Customer's design, construction, installation, inspection, maintenance, testing or operation of Customer's generating system or equipment used in connection with this Interconnection Agreement, irrespective of any fault on the part of Beaches Energy Services.
- b. The interconnection of Customer's generating system with, and delivery of energy from the generating system to, Beaches Energy Services' electrical distribution system, irrespective of any fault on the part of Beaches Energy Services.
- c. The performance or nonperformance of Customer's obligations under this Interconnection Agreement or the obligations of any and all of the members of Customer's governing bodies and its officers, contractors (and any subcontractor or material supplier thereof), agents and employees. Customer's obligations under this Section shall survive the termination of this Interconnection Agreement.

27. Customer shall not have the right to assign its benefits or obligations under this Agreement without Beaches Energy Services' prior written consent and such consent shall not be unreasonably withheld. If there is a change in ownership of the RGS, Customer shall provide written notice to Beaches Energy Services at least thirty (30) days prior to the change in

ownership. The new owner will be required to assume, in writing, the Customer's rights and duties under this Agreement, or execute a new Standard Interconnection Agreement. The new owner shall not be permitted to net meter or begin parallel operations until the new owner assumes this Agreement or executes a new Agreement.

28. This Agreement supersedes all previous agreements and representations either written or verbal heretofore made between Beaches Energy Services and Customer with respect to matters herein contained. This Agreement, when duly executed, constitutes the only Agreement between parties hereto relative to the matters herein described. This Agreement shall continue in effect from year to year until either party gives sixty (60) days notice of its intent to terminate this Agreement.

29. This Agreement shall be governed by and construed and enforced in accordance with the laws, rules and regulations of the State of Florida and Beaches Energy Services' Tariff as it may be modified, changed, or amended from time to time, including any amendments modification or changes to Beaches Energy Services' Net Metering Service Rate Schedule, the schedule applicable to this Agreement. The Customer and Beaches Energy Services agree that any action, suit, or proceeding arising out of or relating to this Interconnection Agreement shall be initiated and prosecuted in the state court of competent jurisdiction located in Duval County, Florida, and Beaches Energy Services and the Customer irrevocably submit to the jurisdiction and venue of such court. To the fullest extent permitted by law, each Party hereby irrevocably waives any and all rights to a trial by jury and covenants and agrees that it will not request a trial by jury with respect to any legal proceeding arising out of or relating to this Interconnection Agreement.

None of the provisions of this Interconnection Agreement shall be considered waived by either Party except when such waiver is given in writing. No waiver by either Party of any one or more defaults in the performance of the provisions of this Interconnection Agreement shall operate or be construed as a waiver of any other existing or future default or defaults. If any one or more of the provisions of this Interconnection Agreement or the applicability of any provision to a specific situation is held invalid or unenforceable, the provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Interconnection Agreement and all other applications of such provisions shall not be affected by any such invalidity or unenforceability. This Interconnection Agreement does not govern the terms and conditions for the delivery of power and energy to non generating retail customers of Beaches Energy Services' electrical distribution system.

30. This Agreement incorporates by reference the terms of the tariff filed with the Florida Public Service Commission by Beaches Energy Services, including Beaches Energy Services' Net Metering Service Rate Schedule, and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements (as may be applicable) are incorporated by reference, as amended from time to time. To the extent of any conflict between this Agreement and such tariff, the tariff shall control.

31. Beaches Energy Services and Customer recognize that the Florida Statutes and/or the Florida Public Service Commission Rules, including those Rules directly addressing the subject

of this Agreement, may be amended from time to time. In the event that such statutes and/or rules are amended that affect the terms and conditions of this Agreement, Beaches Energy Services and Customer agree to supersede and replace this Agreement with a new Interconnection Agreement which complies with the amended statutes/rules.

32. Customer acknowledges that its provision of electricity to Beaches Energy Services hereunder is on a first-offered first-accepted basis and subject to diminution and/or rejection in the event the total amount of electricity delivered to Beaches Energy Services pursuant to the Beaches Energy Services' Net Metering Service Rate Schedule (as filed with the Florida Public Service Commission), from all participating Beaches Energy Services customers, exceeds 2.5 percent (%) of the aggregate customer peak demand on Beaches Energy Services' electric system.

33. This Agreement is solely for the benefit of Beaches Energy Services and Customer and no right nor any cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person or corporation other than Beaches Energy Services or Customer, any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and, all provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and be binding upon Beaches Energy Services and Customer and their respective representatives, successors, and assigns. Further, no term or condition contained in this Agreement shall be construed in any way as a waiver by Beaches Energy Services of the sovereign immunity applicable to Beaches Energy Services as established by Florida Statutes, 768.28.

IN WITNESS WHEREOF, Customer and Beaches Energy Services have executed this Agreement the day and year first above written.

Beaches Energy Services:

By: _____

Title: _____

Date: _____

Customer:

By: _____
(Print Name)

(Signature)

Date: _____

Beaches Energy Services Account Number:
