

INTERCONNECTION AND OPERATING AGREEMENT

In consideration of the City of Red Deer Electric Utility (the "**Wires Owner**") agreeing to allow you to connect your generation facility located at ----- (**Red Deer**) (your "**generation facility**") to the Wires Owner's distribution system, you hereby agree to the following terms and conditions.

1.0 Eligibility

- 1.1 You agree that the connection between your generation facility and the Wires Owner's distribution system will be subject to all applicable laws and bound by the Wires Owner terms and conditions of service (the "**Terms of Service**"), which are approved by the Red Deer City Council from time to time, and which are available to you on request.
- 1.2 You certify that you meet all of the requirements of Alberta Utility Commission (AUC) Rule 024.

2.0 Technical Requirements

- 2.1 You represent and warrant that you have installed, or covenant that you will: (a) install prior to the connection of your inverter based generation facility to the Wires Owner's distribution system; and (b) maintain thereafter in accordance with and for the duration of this agreement, an inverter satisfying Section 84 of the Canadian Electrical Code and CSA C22.2 No. 107.1- General Use Power Supplies and UL 1741 Supplement A – Standard for Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources.
- 2.2 You covenant and agree to perform regularly scheduled maintenance to your generation facility as outlined by its manufacturer in order to assure that its connection devices, protection systems, and control systems are maintained in good working order and in compliance with all applicable laws.

- 2.3 You agree to the automatic disconnection of your generation facility from the Wires Owner's distribution system in the event of: (a) a planned or unplanned power outage on the Wires Owner's distribution system, (b) any abnormal conditions of the Wires Owner's distribution system as per defined by CSA C22.3 No. 9:20's default supplemental grade mandatory tripping requirements, (c) a direction from the Independent System Operator ("ISO") or other governmental authority, or (d) any other event that requires such disconnection pursuant to the Terms of Service, applicable law or good electricity practice. Furthermore, you agree that your generation facility shall continue operation and not disconnect from the Wires Owner's distribution system in the event of certain abnormal frequency and/or voltage conditions as defined by CSA C22.3 No. 9:20's default supplemental grade ride-through performance requirements.
- 2.4 You covenant and agree that the design, installation, maintenance, and operation of your generation facility will be conducted in a manner that ensures the safety and security of both the generation facility and the Wires Owner's distribution system.
- 2.5 Due to the Wires Owner's obligation to maintain the safety and reliability of its distribution system, you covenant and agree that in the event you determine or the Wires Owner determines, in its sole opinion, acting reasonably, that your generation facility is or is reasonably likely to: (i) cause damage to; and/or (ii) adversely affect other distribution system customers or the Wires Owner's assets, you will disconnect your generation facility immediately from the Wires Owner's distribution system upon direction from the Wires Owner and correct the problem at your own expense prior to reconnection.
- 2.6 You represent and warrant that the total generation capacity of your generation facility is --- **kW AC**. You covenant and agree that you will not make any alteration to the design or operation of your generation facility, including, but not limited to, the total generation capacity of your generation facility, without the prior written approval of the Wires Owner.
- 2.7 You hereby grant the Wires Owner access to your generation facility, including for purposes of inspection, maintenance, operation, meter reading and inverter data acquisition.

3.0 Liabilities

- 3.1 You will indemnify and hold the Wires Owner harmless from and against all costs, expenses, damages, claims, liabilities and adverse effects resulting from your breach of this agreement and from your negligence or willful misconduct in connection with the operation of your generation facility or the interconnection between your generation facility and the Wires Owner's distribution system.
- 3.2 Notwithstanding Section 3.1, you shall not be liable to the Wires Owner under any circumstances whatsoever for any loss of profits or revenues, business interruptions losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise. For purposes of this Agreement, damages claimed by third parties shall not be considered indirect, consequential, incidental or special damages, regardless of the type of damages being claimed.

3.3 The Wires Owner's liability to you, whether pursuant to contract, tort or otherwise, shall be limited to the liability imposed on the Wires Owner pursuant to the Terms of Service. Nothing in this agreement is intended to abrogate, alter or diminish the statutory liability protection granted to the Wires Owner under the Electric Utilities Act (Alberta) and the Liability Protection Regulation (Alberta).

4.0 Termination

4.1 You may terminate this agreement at any time by: (a) disconnecting your generation facility from the Wires Owner's distribution system, and (b) thereafter giving the Wires Owner 30 day's written notice of such termination.

4.2 The Wires Owner may terminate this agreement on 30 day's notice upon the occurrence of any of the following: (a) your disposition of your generation facility or your interest in the property on which it resides; (b) your breach of this agreement; (c) the retirement of the Wires Owner's distribution system; and (d) any change in law that affects the Wires Owner's rights or obligations under the Micro-Generation Regulation (Alberta) or AUC Rule 024.

5.0 Assignment

5.1 You covenant and agree that you will not sell, assign, transfer, convey or otherwise dispose of your generation facility or your interest in the property on which it resides without the prior written consent of the Wires Owner, which shall not be unreasonably withheld. It will be a condition of the Wires Owner's consent that the new owner of your generation facility or your interest in the property on which it resides be assigned your rights and obligations under this agreement. The Wires Owner may assign its rights and obligations under this agreement without your consent.

5.2 In addition, you agree that if your rights and obligations under this agreement are not assigned to the new owner of your generation facility or your interest in the property on which it resides, the Wires Owner may send a micro generation decommission notification (GRN transaction) to your retailer prohibiting any further generation credits to be processed with respect to your generation facility until a new agreement is reached between the Wires Owner and the new owner of your generation facility.

APPROVED BY:

Wires Owner signature: _____ Date: _____

Name & Title _____

MG Customer signature: _____ Date: _____

Print Name _____