



INTERCONNECTION AND OPERATING AGREEMENT

In consideration of EPCOR Distribution and Transmission Inc. (the "**Wires Owner**") agreeing to allow you to connect your 5MW or smaller installed capacity generation facility located at **<IPP Site Address>** (your "**generation facility**"):

Address: IPP-**<XXX>**
<Customer Name> – **<Billing Address>**, Edmonton, AB.

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 filed with, and approved by, the Alberta Utilities Commission ("**AUC**") from time to time, and which are available to you on request.
- 1.2 You certify that you meet all of the requirements of AUC Rule 024.
- 1.3 You further certify that you are compliant with all applicable legislation, codes or standards of any public authority having jurisdiction, including but not limited to federal, provincial and municipal bodies.
- 1.4 This agreement does not supersede any requirements outlined in any government laws or regulations.

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 generation facility to the Wires Owner's distribution system; and (b) maintain thereafter in accordance with and for the duration of this agreement, a generation facility satisfying the Canadian Electrical Code and all relevant CSA or IEEE requirements, including but not limited to, Section 84 of the Canadian Electrical Code – Part 1, CSA C22.3 No.9, CSA C22.2 No.107.1, CSA C22.2 No.257, and IEEE1547. You recognize that the Canadian Electrical Code, CSA, and IEEE requirements may change from time to time, and you will comply with the most recent requirements at the time of signing this agreement, and installing the microgeneration facility.
- 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 operation of the Wires Owner's distribution system, (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.
- 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 **<nameplate capacity> kW**. 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 represent and warrant that the total annual energy generation at your facility shall not exceed the total annual energy consumption at the same site and aggregate sites in the same annual term. 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, and the hours of operation of your generation facility, as to cause it to produce a total annual energy generation in excess of the total annual energy consumption.
- 2.8 You hereby grant the Wires Owner access to your generation facility, including for purposes of inspection, maintenance, operation and meter reading. The Wires Owner has the right, but not the duty to inspect your generation facility. You are responsible for the safe design, construction, maintenance and operation of your generation facility and all liability in connection therewith remains with you.
- 2.9 You agree to meet the requirements identified in any Interconnection Review Study prepared and delivered to you by the Wires Owner.
- 2.10 You agree to maintain and operate your generation facility in accordance with all limitations and requirements set forth in the Interconnection Review Study and commissioning documents associated with the Interconnection Review Study.

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 days' 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 agree that this agreement constitutes an interest in land with respect to the lands on which your generation facility is located, and that the Wires Owner may register this agreement at the appropriate Land Titles Office against title to the lands on which your generation facility is located.

5.2 You covenant and agree that any sale, assignment, transfer, conveyance or other disposition of your generation facility or your interest in the property on which it resides is conditional and shall not be effective unless:

- i. the Wires Owner receives at least 30 days' written notice of such disposition and the Person acquiring the interest (the "**Assignee**") executes an assignment and assumption agreement with the Customer and the Wires Owner pursuant to which the Assignee agrees to be fully bound by, and subject to, all of the provisions of this Agreement; or
- ii. the Customer terminates this Agreement in accordance with Section 4.1 above.

Any attempted disposition in violation of this Section 5.2 shall be ineffective.

5.3 The Wires Owner may assign its rights and obligations under this agreement without your consent.

5.4 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 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 CUSTOMER:

Customer Signature: _____ Date: _____

Name of Signatory: _____
(Printed)

Business Name: _____
(Printed – If Applicable)

APPROVED BY WIRES OWNER:

Wires Owner Signature: _____ Date: _____

Name of Signatory: _____
(Printed)

Wires Owners Name: EPCOR Distribution & Transmission Inc.