

## **Tri-Party Net Metering Power Purchase Agreement**

This Tri-Party Net Metering Power Purchase Agreement (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Piedmont Municipal Power Agency (hereinafter “PMPA”), a body politic and corporate of the State of South Carolina, The City of Westminster, a municipality (hereinafter “Utility”), and \_\_\_\_\_, a retail electric customer of Utility (hereinafter “Customer”).

### **Section 1. Recitals**

1.01. Whereas, Utility and Customer have executed Utility’s Standard Interconnection Agreement for Small Customer-Owned Renewable Generation Services pursuant to which Utility has agreed to permit interconnection of Customer’s renewable generation to Utility’s electric system at Customer’s presently-metered location, and Customer has agreed to deliver excess electric energy generated by Customer’s renewable generation system to Utility’s electric distribution system;

1.02. Whereas, Utility and PMPA have entered into a Supplemental Power Sales Agreement, dated as of August 1, 1980, (hereinafter the “SPSA”) pursuant to which Utility has agreed to purchase and receive, and PMPA has agreed to sell and supply All Requirements Bulk Power Supply, as defined in the SPSA, which limits Utility’s ability to directly purchase excess energy from customer-owned renewable generation;

1.03. Whereas, in order to promote the development of small customer-owned renewable generation by permitting Utility to allow its customers to interconnect with Utility’s electric system and to allow Utility customers to offset their electric consumption with customer-owned renewable generation, PMPA has agreed to purchase excess customer-owned renewable generation from Utility customers interconnected to Utility’s electric system in accordance with the terms and conditions of this Agreement;

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

### **Section 2. Interconnection**

2.01. Customer shall not begin parallel operations with Utility’s electric distribution system until Customer has executed Utility’s Standard Interconnection Agreement for Small Customer-Owned Renewable Generation and is in compliance with all terms and conditions therein. Utility shall be responsible for ensuring the customer-owned renewable generation is installed and operated in accordance with all applicable safety codes and standards. Utility shall establish and enforce terms and conditions of operation and disconnection of all interconnected customer-owned renewable generation.

### **Section 3. Metering**

3.01 In accordance with Utility's Standard Interconnection Agreement for Small Customer-Owned Renewable Generation and in accordance with PMPA's Net Metering Policy, Utility shall install metering equipment at the point of delivery capable of recording two separate meter readings: (1) the flow of electricity from Utility to the Customer and (2) the flow of excess electricity from the Customer to Utility. Utility shall take meter readings on the same cycle as the otherwise applicable rate schedule and provide those meter readings to PMPA in a mutually agreeable format.

3.02 The metering equipment furnished and the method for communicating with the meter(s) shall be specified and approved by PMPA. Metering equipment and its corresponding communications shall be installed and maintained in a manner that provides reliable and accurate data. Utility shall provide PMPA a schematic for the initial connection of the metering equipment and all subsequent modifications thereto. Such connection plans shall be subject to PMPA's approval.

### **Section 4. Purchase of Excess Customer-Owned Renewable Generation**

4.01. Customer-owned renewable generation shall be first used for Customer's own load and shall offset Customer's demand for electricity from the Utility. All electric power and energy delivered by Utility to Customer shall be received and paid for by Customer pursuant to the terms, conditions and rates of the Utility's applicable rate schedules.

4.02. Excess customer-owned renewable generation shall be delivered to the Utility's electric distribution system. For purposes of this Agreement, the term "excess customer-owned renewable generation" means any kilowatt-hours of electrical energy produced by the customer-owned renewable generation system that is not consumed by Customer and is delivered to Utility's electric distribution system. PMPA agrees to purchase and receive, and Customer agrees to sell and deliver, all excess customer-owned renewable generation at the energy rate established by PMPA, which shall be calculated in accordance with Schedule A. Excess customer-owned renewable generation shall be billed in the form of a credit on Customer's monthly electricity consumption bill from Utility.

4.03. In the event that a given monthly credit for excess customer-owned renewable generation exceeds the total billed amount for Customer's consumption in any corresponding month, then the excess credit shall be applied to the subsequent month's bill. Excess energy credits so produced shall accumulate and be used to offset Customer's energy consumption bill for a period of not more than twelve (12) months. At the end of each calendar year, unused excess credits shall be paid by Utility to the Customer.

4.04. PMPA and Utility shall not be required to purchase or receive excess customer-owned renewable generation and may require Customer to interrupt or reduce production of

customer-owned renewable generation (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any Utility equipment or part of the Utility electric system or (b) if either PMPA or Utility determines, in its sole judgment, that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with any applicable electric code or standard.

## **Section 5. Renewable Energy Credits**

5.01. Customer shall offer PMPA and/or Utility a first right of refusal before selling or granting to any third party the right to the Green Attributes associated with its customer-owned renewable generation that is interconnected to Utility's electric distribution system. The term Green Attributes shall include any and all credits, certificates, benefits, environmental attributes, emissions reductions, offsets, and allowances, however entitled, attributable to the generation of electricity from the customer owned-renewable generation and its displacement of conventional energy generation.

5.02. Any additional meter(s) installed to measure total renewable electricity generated by the Customer for the purposes of measuring Green Attributes, including any renewable energy certificates (or similarly titled credits for renewable energy generated), shall be installed at the expense of the Customer, unless the Parties determine otherwise during negotiations for the sale of the Customer's credits to PMPA and/or Utility.

## **Section 6. Term and Termination**

6.01. This Agreement shall become effective upon execution by all Parties, and shall remain in effect thereafter on a month-to-month basis until terminated by any Party upon thirty (30) days written notice to all other Parties.

6.02. This Agreement shall terminate immediately and without notice upon: (a) termination of the electric distribution service by Utility to Customer or (b) failure by Customer to comply with any of the terms and conditions of this Agreement or Utility's Standard Interconnection Agreement for Small Customer-Owned Renewable Generation.

## **Section 7. Miscellaneous Provisions**

7.01. Assignment. It is understood and agreed that no Party may transfer, sell, mortgage, pledge, hypothecate, convey, designate, or otherwise assign this Agreement, or any interest herein or any rights or obligations hereunder, in whole or in part, either voluntarily or by operation of law, (including, without limitation, by merger, consolidation, or otherwise), without the express written consent of the other Parties, which consent shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and permitted assigns.

7.02. Customer's Indemnification of PMPA and Utility. To the fullest extent permitted by laws and regulations, Customer shall defend, indemnify, and hold harmless PMPA and

Utility, their officers, directors, agents, guests, invitees, and employees from and against all claims, damages, losses to persons or property, whether direct, indirect, or consequential (including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs) arising out of, resulting from, occasioned by, or otherwise caused by the operation, failure of operation, or improper operation of the CRG, or the acts or omissions of any other person or organization directly or indirectly employed by the Customer to install, furnish, repair, replace or maintain the customer-owned renewable generation system, or anyone for whose acts any of them may be liable.

7.03. Indemnification of PMPA by Utility. In the event that the provisions of section 7.02 are insufficient to indemnify and hold PMPA harmless, then, to the fullest extent permitted by laws and regulations, Utility shall defend, indemnify, and hold harmless PMPA, its officers, directors, agents, guests, invitees, and employees from and against all claims, damages, losses to persons or property, whether direct, indirect, or consequential (including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs) arising out of, resulting from, occasioned by, or otherwise caused by the operation or misoperation of the customer-owned renewable generation, or the acts or omissions of any other person or organization directly or indirectly employed by the Utility to install, furnish, repair, replace or maintain the customer-owned renewable generation system, or anyone for whose acts any of them may be liable.

7.04. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the Parties shall be governed and construed in accordance with the laws of the State of South Carolina without regard for any conflicts of law provisions that might cause the law of other jurisdictions to apply.

7.05. Enforcement of Agreement. In the event that any Party is required to enforce this Agreement by court proceedings or otherwise, the prevailing Party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, and/or appellate proceedings.

7.06. Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

7.07. Third Party Beneficiaries. This Agreement is solely for the benefit of PMPA, Utility, and Customer, and no right nor any cause of action shall accrue upon, or by reason of, to or for the benefit of, any additional party not a signatory 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 PMPA, Utility, 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, PMPA, Utility, and Customer and their respective representatives, successors, and assigns.

IN WITNESS WHEREOF, PMPA, Customer, and Utility have executed this Agreement as of the day and year first above written.

**CITY OF WESTMINSTER**

By: \_\_\_\_\_

Title: City Administrator

Date: \_\_\_\_\_

**PIEDMONT MUNICIPAL POWER AGENCY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CUSTOMER**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Customer Account Number)

Date: \_\_\_\_\_

**SCHEDULE A**

**NET METERING RATE SCHEDULE**

**Effective August 19, 2010**

I. Definitions

On-Peak Hours: During the months of June through September, On-Peak Hours are from 1:00 p.m. to 9:00 p.m., Monday through Friday. During the months of October through May, On-Peak Hours are from 6:00 a.m. to 1:00 p.m., Monday through Friday.

Off-Peak Hours: Off-Peak Hours are all hours that are not On-Peak Hours, including every hour on Saturday and Sunday.

II. Applicability

This schedule is applicable to any Participant that has met the conditions of the Net Metering Policy.

III. Monthly Energy Rates and Credits

(1) On-Peak Energy	4.244 ¢/kWh
(2) Off-Peak Energy	2.755 ¢/kWh