

**Agreement for Net Metering and Interconnection Services
(Level 1, 2 and 3 Interconnection)**

This Agreement for Net Metering and Interconnection Services ("Agreement") is made and entered into this ___(date)___ day of ___(month, year)___ by and between _____(print name)_____, an individual company, ("Applicant") and Portland General Electric Company, a corporation organized and existing under the laws of the State of Oregon ("PGE"). The Applicant and PGE each may be referred to as a "Party," or collective as the "Parties."

RECITALS:

WHEREAS, the Applicant is proposing to develop a Net Metering Facility, or a generation capacity addition to an existing Net Metering Facility, at _____(street address)_____, _____(city)_____, Oregon _____(zip code)___ ("Net Metering Facility") with a generation capacity of _____ kW, consistent with the Application for Net Metering Facility Interconnection completed on _____(mm/dd/yyyy)_____; and

WHEREAS, the Applicant desires to interconnect the Net Metering Facility with PGE's Electric Distribution System and take Net Metering service in accordance with PGE's Tariff Schedule 203 or such successor or replacement schedule(s) ("Tariff") as approved by the Oregon Public Utility Commission ("Commission"); and

WHEREAS, the Agreement shall be used for all approved Level 1, 2 or 3 Applications for Net Metering Facility Interconnection according to the procedures set forth in Commission Rules, Oregon Administrative Rules ("OAR") Chapter 860, Division 39 ("Net Metering Rules" or "Rules"). Terms with initial capitalization, when used in this Agreement, shall have the meanings set forth in this Agreement or as given in the Rules and, to the extent this Agreement conflicts with the Rules, the Rules shall take precedence.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

Article 1. Scope and Limitations of Agreement

1.1 Interconnection Service

The Agreement establishes standard terms and conditions approved by the Commission under which the Net Metering Facility with a generation capacity of up to 2 MW will interconnect to PGE's Electric Distribution System.

1.2 Net Metering Service

Net Metering service is provided by PGE to Applicant pursuant to the Tariff, Rules and Oregon Revised Statute 757.300. Applicant hereby agrees to take Net Metering

service from PGE in accordance therewith.

1.3 Other Agreements

Nothing in this Agreement is intended to affect any other agreement between PGE and the Applicant or another interconnection customer. However, in the event that the provisions of this Agreement are in conflict with the provisions of the Tariff, the Tariff shall control.

1.4 Responsibilities of the Parties

- 1.4.1 The Parties shall perform all obligations of this Agreement in accordance with the Rules, all other applicable laws and in accordance with Good Utility Practice.
- 1.4.2 The Applicant will construct, own, operate and maintain its Net Metering Facility in accordance with this Agreement, IEEE Standards, the National Electrical Code and any other applicable standards required by the Commission.
- 1.4.3 If required by the Rules, the Applicant will install and maintain, at its own cost, a lockable manual load break disconnect switch that will disconnect the Net Metering Facility from PGE's Electric Distribution System. The switch must plainly indicate whether it is in the open or closed position and be located within ten (10) feet of PGE's meter. Notwithstanding the foregoing, the disconnect switch may be located more than ten (10) feet from PGE's meter provided Applicant obtains PGE approval of the location of the switch, and permanent instructions are posted at the meter indicating the location of the switch.
- 1.4.4 Each Party shall be responsible, at its own expense, for the safe installation, operation, maintenance, repair and condition of their respective facilities on their respective sides of the Point of Common Coupling.

Article 2. Inspection, Testing, Authorization

2.1 Equipment Testing and Inspection

The Applicant will self test and inspect its Net Metering Facility prior to operation in accordance with IEEE Standards. PGE may also require an inspection and witness of commissioning tests as set forth in IEEE Standards prior to operation in accordance with the Rules.

2.2 Maintenance and Testing Records

The Applicant shall retain written records for seven (7) years documenting any maintenance and results of testing.

Article 3. Effective Date, Term, Termination and Disconnection

3.1. Effective Date

The Agreement shall become effective upon execution by the Parties ("Effective Date").

3.2 Term of Agreement

The Agreement will become effective on the Effective Date and will remain in effect unless terminated earlier in accordance with provisions of this Agreement.

3.3 Termination

No termination of the Agreement will become effective until the Parties have complied with all clauses of this Agreement applicable to such termination.

3.3.1 The Applicant may terminate this Agreement at any time by giving PGE twenty (20) business days written notice.

3.3.2 Either Party may terminate this Agreement after default pursuant to Article 5 of this Agreement.

3.3.3 The Commission may order termination of this Agreement.

3.3.4 Upon termination of this Agreement, the Net Metering Facility will be disconnected from PGE's Electric Distribution System at the Applicant's expense. The termination of this Agreement will not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

3.3.5 The provisions of this Article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

PGE or Applicant may temporarily disconnect the Net Metering Facility from PGE's Electric Distribution System for so long as reasonably necessary in the event one or more of the following conditions or events occur:

3.4.1 Under emergency conditions, PGE or the Applicant may immediately disconnect the Net Metering Facility. PGE shall promptly notify the Applicant when it becomes aware of an emergency condition that may reasonably be expected to affect the Net Metering Facility's operation.

The Applicant will promptly notify PGE when it becomes aware of an emergency condition that may reasonably be expected to affect PGE's Electric Distribution System. To the extent information is known, the notification shall describe the emergency condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

- 3.4.2 For maintenance, repair or construction of the Net Metering Facility or Electric Distribution System, PGE or the Applicant may disconnect the Net Metering Facility. Parties will make reasonable efforts to provide five (5) business days' notice to the other Party prior to such interruption and shall use reasonable efforts to coordinate such interruption.
- 3.4.3 If PGE determines that operation of the Net Metering Facility will likely cause disruption or deterioration of service to other customers served from the Electric Distribution System, or if operating the Net Metering Facility could cause damage to PGE's Electric Distribution System, then PGE may disconnect the Net Metering Facility. In such event, PGE shall provide the Applicant supporting documentation used to reach the decision to disconnect the facility upon the Applicant's request.
- 3.4.4 If the Applicant makes any change to the Net Metering Facility, other than minor equipment modifications, without prior written authorization of PGE, PGE will have the right to temporarily disconnect the Net Metering Facility.
- 3.4.5 The Parties shall cooperate with each other to restore the Net Metering Facility and PGE's Electric Distribution System to their normal operating state as soon as reasonably practicable following any disconnection pursuant to this section.

Article 4. Cost Responsibility and Billing

PGE shall charge for, and the Applicant will be responsible for, the timely payment of the cost of any application fee and the costs of such facilities, equipment, modifications, upgrades and additional review, as may be allowed by the Rules.

4.1 Minor Modifications

Insubstantial modifications to the existing Electric Distribution System identified by PGE under a Level 2 or Level 3 interconnection, including but not limited to changing meters, fuses or relay settings, are deemed "Minor Modifications" and are listed in Attachment A with a non-binding, good faith estimate of their cost. It is in PGE's sole discretion to decide what constitutes a Minor Modification. The Applicant will bear the costs of making such Minor Modifications as may be necessary for the interconnection.

4.2 Substantial Modifications

For Level 3 interconnections, PGE has identified any "Substantial Modifications" to the Electric Distribution System in Attachment A. Attachment A includes those facilities and conditions (as may be identified by a facilities study if done) necessary for the Net Metering Facility to safely interconnect with PGE's Electric Distribution System, and shall include a non-binding good faith estimate of the cost of those facilities and the estimated time required to build and install them. The Applicant shall be responsible for the actual installed costs of such facilities.

4.3 Billings

Progress billing and final billing and payment schedules for any costs under this Article shall be agreed to by the Parties prior to commencing work. For Level 3 interconnections, PGE may require a deposit of not more than 50% of the estimated cost of the facilities identified in Attachment A.

Article 5. Assignment, Liability, Indemnity, Consequential Damages and Default

5.1 Assignment

This Agreement may be assigned by either Party upon fifteen (15) business days' prior written notice, in accordance with the following:

- 5.1.1 Either Party may assign this Agreement, without the consent of the other Party, to any affiliate (which shall include a merger of the Party with another entity) of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement;
- 5.1.2 The Applicant shall have the right to assign the Agreement, without the consent of PGE, for collateral security purposes to aid in providing financing for the Net Metering Facility. For Net Metering Facilities that are integrated into a building facility, the sale of the building or property will result in an automatic transfer of this Agreement to the new owner,

who shall be responsible for complying with the terms and conditions of this Agreement.

- 5.1.3 Any attempted assignment that violates this Article is void and ineffective. An assignment hereunder shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same obligations as the Applicant, including any requirements for Net Metering Service as provided under the Tariff, Rules and Oregon Revised Statute 757.300.

5.2 Limitation of Liability

PGE shall not be liable, directly or indirectly, for permitting or continuing to allow an attachment of the Net Metering Facility to its Electric Distribution System, or for the acts or omissions of Applicant that cause loss or injury, including death, to any third party.

5.3 Indemnity

[Applicable only to governmental entities: To the extent allowed by law and subject to the limitations of the Oregon Tort Claims Act, the] Applicant agrees that it will indemnify, defend and hold harmless PGE from and against any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorneys' fees at trial and on appeal, and all other obligations by or to third parties, arising out of or resulting from Applicant's actions or omissions in performing under or implementing this Agreement.

PGE agrees that it will indemnify, defend and hold harmless the Applicant *[Applicable only to governmental entities: to the same extent and in the amounts by which Applicant's liability would be similarly limited by the Oregon Tort Claims Act,]* from and against any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorneys' fees at trial and on appeal, and all other obligations by or to third parties, arising out of or resulting from PGE's negligent or willful actions or omissions in performing under or implementing this Agreement.

5.4 Consequential Damages

Neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any indirect, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract or in tort, including negligence, strict liability, or any other theory of liability.

5.5 Default

- 5.5.1 No default shall exist where such failure to discharge an obligation (other

than the payment of money) is the result of an act or omission of the other Party. Upon a default, the non-defaulting Party shall give written notice of such default to the defaulting Party. Except as provided in Section 5.5.1, the defaulting Party shall have sixty (60) calendar days from receipt of the default notice within which to cure such default; provided, however, if such default is not capable of cure within sixty (60) calendar days, the defaulting Party shall commence such cure within twenty (20) calendar days after notice and continuously and diligently complete such care within six (6) months from receipt of the default notice; and, if cured within such time, the default specified in such notice shall cease to exist.

- 5.5.2 If a default is not cured as provided for in this Article, or if a default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. Alternatively, the non-defaulting Party shall have the right to seek dispute resolution with the Commission in lieu of default. The provisions of this Article will survive termination of the Agreement.

Article 6. Miscellaneous

6.1 Governing Law, Regulatory Authority and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Oregon. This Agreement is subject to all applicable laws. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders or regulations of a governmental authority.

6.2 Amendment

Additions, deletions or changes to the terms and conditions of this Agreement will not be permitted unless they are mutually agreed to by the Parties or, if required by the Rules, or by the Commission for good cause shown. The Parties may amend this Agreement by a written instrument duly executed by both Parties in accordance with provisions of the Rules and applicable Commission Orders and provisions of the laws of the State of Oregon.

6.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies or benefits of any character whatsoever in favor of any persons, corporations, associations or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

6.4 Waiver

- 6.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- 6.4.2 The Parties may also agree to mutually waive a section of this Agreement without the Commission's permission where the section of the Agreement expressly so provides.
- 6.4.3 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

6.5 Entire Agreement

This Agreement, including any Attachment, constitutes the entire Agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties or covenants that constitute any part of the consideration for, or any condition to, either Party's obligations under this Agreement.

6.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

6.7 No Partnership

This Agreement will not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for or act on behalf of, or act as or be an agent or representative of, or to otherwise bind, the other Party.

6.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in

full force and effect.

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6.9 Subcontractors

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor, or designating a third party agent as one responsible for a specific obligation or act required in this Agreement (collectively "Subcontractors"), as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party will require its Subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and, subject to the application provisions of this Agreement, each Party will remain primarily liable to the other Party for the performance of such Subcontractor.

Article 7. Notices and Records

7.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request or communication required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered via e-mail (if provided in this section 7.1 by the Applicant) or sent by first class United States mail, postage prepaid, to the person specified below:

For Communication to the Applicant:

Applicant Name: _____
Attention: _____
Address: _____
City: _____
State: _____
Zip: _____
Phone: _____
Fax: _____
E-mail: _____

For Communication to PGE:

Attention: Bruce Barney, Net Metering Coord.
Address: PGE, 121 SW Salmon, 3WTC-0407
City: Portland
State: OR
Zip: 97204
Phone: 503-464-7812
Fax: 503-464-2284
E-mail: bruce.barney@pgn.com

Notice shall be deemed delivered on the day an e-mail is sent (if an email address

is provided for Notice purposes) or Notice is deposited in First Class U.S. mail. The Applicant shall be responsible for informing PGE of any changes to its notification address as soon as reasonably possible.

7.2 Records

The utility will maintain a record of all Interconnection Agreements and related attachments for as long as the interconnection is in place. The utility will provide a copy of these records to the Applicant or Interconnection Customer within fifteen (15) Business Days if a request is made in writing.

7.3 Billing and Payment

Billings and payments shall be sent to the addresses set out above unless alternative billing addresses and contact information are provided to the other Party in writing.

7.4 Designated Operating Representative (if different than 7.1 above)

The Parties may designate operating representatives to conduct the communications which may be necessary or convenient for the administration of the operating provisions of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Applicant's Operating Representative (if different than 7.1 above):

Attention: _____
 Address: _____
 City: _____
 State: _____
 Zip: _____
 Phone: _____
 Fax: _____
 E-mail: _____

7.5 Changes to the Notice Information

Either Party may change this notice information by giving five (5) business days' written notice prior to the effective date of the change.

Article 8. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Applicant

Signature: _____

Printed Name: _____

Title (if any): _____

Date: _____

For Portland General Electric Company

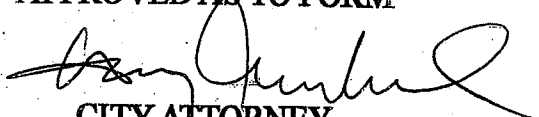
Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM


CITY ATTORNEY

Attachment A

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Modifications