

**STANDARD CUSTOMER-GENERATOR INTERCONNECTION AGREEMENT  
FOR INTERCONNECTION OF NEW CUSTOMER-GENERATOR FACILITIES  
WITH A CAPACITY OF 2 MVA OR LESS**

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_ by and between \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, (“Customer,”) and EDC, a company existing under the laws of the State of \_\_\_\_\_, (“EDC”). Customer and EDC each may be referred to as a “Party, ” or collectively as the “Parties.”

**Recitals:**

**Whereas,** Customer is proposing to develop a Customer-generator Facility, or generating capacity addition to an existing Customer-generator Facility, consistent with the Interconnection Application completed by Customer on \_\_\_\_\_; and

**Whereas,** Customer desires to interconnect the Customer-generator with EDC’s Distribution System;

**Whereas,** EDC has completed an initial review and provided the results of said review to Customer;

**Whereas,** Customer requested EDC to perform an Impact Study to assess the impact of interconnecting the Generating Facility to EDC’s Distribution System;

**Now, therefore,** in consideration of and subject to the mutual covenants contained herein, the Parties agreed as follows:

**Article 1.        Scope and Limitations of Agreement**

- 1.1        This Agreement shall be used for all approved Level II and Level III Interconnection Requests
- 1.2        This Agreement governs the terms and conditions under which the Customer-generator Facility will interconnect to, and operate in parallel with, EDC’s Distribution System.
- 1.3        This Agreement does not constitute an agreement to purchase or deliver the Customer’s power.
- 1.4        Nothing in this Agreement is intended to affect any other agreement between EDC and the Customer.
- 1.5        Responsibilities of the Parties

- 1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.
- 1.5.2 The Customer shall construct, interconnect, operate and maintain its Customer-generator Facility, and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, in accordance with this Agreement, and with Good Utility Practice.
- 1.5.3 EDC shall construct, own, operate, and maintain its Distribution System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.
- 1.5.4 The Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Code, National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriters Laboratories, any Operating Requirements in effect at the time of construction, and other applicable national and State codes and standards. The Customer agrees to design, install, maintain, and operate its Customer-generator Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of EDC or Affected Systems.
- 1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. EDC and the Customer, as appropriate, shall provide Interconnection Facilities that adequately protect EDC's Distribution System, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement.
- 1.5.6 EDC shall coordinate with any Affected Systems to support the interconnection as contemplated under the terms of this

agreement.

## **1.6 Parallel Operation Obligations**

Once the Customer-generator Facility has been authorized to commence parallel operation, the Customer shall abide by all pertinent rules and procedures pertaining to the parallel operation of the Customer-generator Facility, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in the Tariff or by EDC's Distribution System operations personnel; and, 2) any Operating Requirements set forth in Attachment 3 of this Agreement.

## **1.7 Metering**

The Customer shall be responsible for the cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Agreement.

## **1.8 Reactive Power**

The Customer shall design its Customer-generator Facility to maintain a composite power delivery at continuous rated power output at the Point of Common Coupling at a power factor within the range of 0.95 leading to 0.95 lagging, unless EDC has established different requirements that apply to all similarly situated generators in the control area on a comparable basis. The requirements of this paragraph shall not apply to wind generators.

## **1.9 Capitalized Terms**

Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

## **Article 2. Inspection, Testing, Authorization, and Right of Access**

### **2.1 Equipment Testing and Inspection**

The Customer shall test and inspect its Customer-generator Facility and Interconnection Facilities prior to interconnection, and in accordance with the requirements of IEEE 1547.1. The Customer shall notify EDC of such activities no fewer than fifteen (15) days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The EDC may, at its own expense, send qualified personnel to the Customer-generator Facility site to inspect the

interconnection and observe the testing. The Customer shall provide EDC a written test report when such testing and inspection is completed.

## **2.2 Authorization Required Prior to Parallel Operation**

The Customer shall not operate its Customer-generator Facility in parallel with EDC's Distribution System without prior written authorization of EDC. EDC will provide such authorization once EDC receives notification that the Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

## **2.3 Right of Access**

2.3.1 Upon reasonable notice, EDC may send a qualified person to the premises of the Customer to inspect the interconnection, and observe the commissioning of the Customer-generator Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit. In addition, the Customer shall notify EDC at least fifteen (15) days prior to conducting any on-site verification testing of the Customer-generator Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, EDC shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to other customers.

## **Article 3. Effective Date, Term, Termination, and Disconnection**

### **3.1 Effective Date**

This Agreement shall become effective upon execution by the Parties.

### **3.2 Term of Agreement**

This Agreement shall become effective on the Effective Date and shall remain in effect for a period of ten years from the Effective Date or such other longer period as the Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with Article 3.3 of this Agreement.

### **3.3 Termination**

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with the NJBPU of a notice of termination of this Agreement (if required).

3.3.1 The Customer may terminate this Agreement at any time by giving EDC 20 Business Days written notice.

3.3.2 Either Party may terminate this Agreement after Default pursuant to Article 6.6.

3.3.3 Upon termination of this Agreement, the Customer-generator Facility will be disconnected from EDC's Distribution System. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

3.3.4 This provisions of this Article shall survive termination or expiration of this Agreement.

### **3.4 Temporary Disconnection**

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions—"Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of EDC, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Distribution System, EDC's Interconnection Facilities or any Affected Systems; or (3) that, in the case of the Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Customer-generator Facility or the Customer's Interconnection Facilities. Under Emergency Conditions, EDC may immediately suspend interconnection service and temporarily disconnect the Customer-generator Facility. EDC shall notify the Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Customer's operation of the Customer-generator Facility. The Customer shall notify EDC promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect EDC's Distribution System or other Affected

Systems. 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 Routine Maintenance, Construction, and Repair - EDC may interrupt interconnection service or curtail the output of the Customer-generator Facility and temporarily disconnect the Customer-generator Facility from EDC's Distribution System when necessary for routine maintenance, construction, and repairs on EDC's Distribution System. EDC shall provide the Customer with five Business Days notice prior to such interruption. EDC shall use reasonable efforts to coordinate such reduction or temporary disconnection with the Customer.
- 3.4.3 Forced Outages - During any forced outage, EDC may suspend interconnection service to effect immediate repairs on EDC's Distribution System. EDC shall use reasonable efforts to provide the Customer with prior notice. If prior notice is not given, EDC shall, upon request, provide the Customer written documentation after the fact explaining the circumstances of the disconnection.
- 3.4.4 Adverse Operating Effects - EDC shall notify the Customer as soon as practicable if, based on Good Utility Practice, operation of the Customer-generator Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Customer-generator Facility could cause damage to EDC's Distribution System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Customer upon request. If, after notice, the Customer fails to remedy the adverse operating effect within a reasonable time, EDC may disconnect the Customer-generator Facility. EDC shall provide the Customer with five Business Day notice of such disconnection, unless the provisions of Article 3.4.1 apply.
- 3.4.5 Modification of the Customer-generator Facility - The Customer must receive written authorization from EDC before making any change to the Customer-generator Facility that may have a material impact on the safety or reliability of the Distribution System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Customer makes such modification without EDC's prior written authorization, the latter shall have the right to temporarily disconnect the Customer-generator Facility.

3.4.6 Reconnection - The Parties shall cooperate with each other to restore the Customer-generator Facility, Interconnection Facilities, and EDC's Distribution System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

**Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades**

**4.1 Interconnection Facilities**

4.1.1 The Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. If a Facilities Study was performed, EDC shall identify its Interconnection Facilities necessary to safely interconnect the Customer-generator Facility with EDC's Distribution System, the cost of those facilities, and the time required to build and install those facilities.

4.1.2 The Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing EDC's Interconnection Facilities.

**4.2 Distribution Upgrades**

EDC shall design, procure, construct, install, and own any Distribution Upgrades. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to the Customer.

**Article 5. Billing, Payment, Milestones, and Financial Security**

**5.1 Billing and Payment Procedures and Final Accounting**

5.1.1 EDC shall bill the Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

5.1.2 Within ninety (90) calendar days of completing the construction and installation of EDC's Interconnection Facilities and Distribution Upgrades described in the Attachments to this

Agreement, EDC shall provide the Customer with a final accounting report of any difference between (1) the Customer's cost responsibility for the actual cost of such facilities and Distribution Upgrades, and (2) the Customer's previous deposit and aggregate payments to EDC for such Interconnection Facilities and Distribution Upgrades. If the Customer's cost responsibility exceeds its previous deposit and aggregate payments, EDC shall invoice the Customer for the amount due and the Customer shall make payment to EDC within thirty (30) calendar days. If the Customer's previous deposit and aggregate payments exceed its cost responsibility under this Agreement, EDC shall refund to the Customer an amount equal to the difference within thirty (30) calendar days of the final accounting report.

## **5.2 Customer Deposit**

At least twenty (20) Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of EDC's Interconnection Facilities and Distribution Upgrades, the Customer shall provide EDC with a deposit equal to 50% of the cost estimated for its Interconnection Facilities prior to its beginning design of such facilities.

## **Article 6. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default**

### **6.1 Assignment**

This Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice, and with the opportunity to object by the other Party; provided that:

- 6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate 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;
- 6.1.2 The Customer shall have the right to assign this Agreement, without the consent of EDC, for collateral security purposes to aid in providing financing for the Customer-generator Facility, provided that the Customer will promptly notify EDC of any such assignment.
- 6.1.3 Any attempted assignment that violates this Article is void and ineffective. Assignment 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 Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

## **6.2 Limitation of Liability**

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

## **6.3 Indemnity**

- 6.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.
- 6.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
- 6.3.3 If an indemnified person is entitled to indemnification under this Article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 6.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this Article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

6.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

#### **6.4 Consequential Damages**

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, 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, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

#### **6.5 Force Majeure**

6.5.1 As used in this Article, a Force Majeure Event shall mean "any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing."

6.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance, and if the initial notification was verbal, it should be promptly followed up with a written notification. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the

obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be reasonably mitigated. The Affected Party will use reasonable efforts to resume its performance as soon as possible.

## **6.6 Default**

6.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement, or 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 Article 6.6.2, the defaulting Party shall have 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 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

6.6.2 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. The provisions of this Article will survive termination of this Agreement.

## **Article 7. Insurance**

**Insurance Disclosure:** The Interconnection Customer is not required to provide general liability insurance coverage as part of this Agreement, the Standard Small Generator Interconnection Procedures, or any other Company requirement. Due to the risk of incurring damages, it is recommended that every Interconnection Customer protect itself with insurance, and insurance disclosure is required as a part of this Agreement. The Interconnection Customer hereby discloses as of the date of this agreement as follows:

(Note: Check off one of the boxes below – information only)

The Interconnection Customer has obtained, or already has in effect under an existing policy, general liability insurance coverage for operation of the Small

Generator Facility and intends to maintain such coverage for the duration of this Agreement (attach Certificate of Insurance or copy of Policy); or

- The Interconnection Customer has not obtained general liability insurance coverage for operation of the Small Generator Facility and/or is self-insured. Please read paragraphs [ ? ] & [ ? ] of attached terms and conditions.

## Article 8. Dispute Resolution

- 8..1. Each Party agrees to attempt to resolve all disputes regarding the provisions of these interconnection procedures promptly, equitably and in a good faith manner.
- 8..2. If a dispute arises with respect to the interconnection procedures that apply to the Small Generator Facility, and if the dispute cannot be resolved by the Parties within ten (10) Business Days, the Party raising the dispute shall provide written notice detailing the nature of the dispute to the other Party with a copy to the public utility commission having authority over the interconnection procedures. If within 20 days of providing such written notice, the Parties cannot resolve the dispute, the Party raising the dispute shall provide a written request for resolution of the dispute to the local public utility commission, with a copy to the other Party. The final decision of the public utility commission with respect to the dispute shall be binding on the Parties.

## **Article 8. Miscellaneous**

### **8.1 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 \_\_\_\_\_, without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

### **8.2 Amendment**

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

### **8.3 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.

#### **8.4 Waiver**

8.4.1 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.

8.4.2 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, duty of this Agreement. Termination or default of this Agreement for any reason by Customer shall not constitute a waiver of the Customer's legal rights to obtain an interconnection from EDC. Any waiver of this Agreement shall, if requested, be provided in writing.

#### **8.5 Entire Agreement**

This Agreement, including all Attachments, 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 which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

#### **8.6 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.

#### **8.7 No Partnership**

This Agreement shall 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 to act as or be an agent or representative of, or to otherwise bind, the other Party.

#### **8.8 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.

## **8.9 Environmental Releases**

Each Party shall notify the other Party, first orally and then in writing, of the release any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Customer-generator Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

## **8.10 Subcontractors**

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

8.10.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall EDC be liable for the actions or inactions of the Customer or its subcontractors with respect to obligations of the Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

8.10.2 The obligations under this Article will not be limited in any way by any limitation of subcontractor's insurance.

**Article 9. Notices**

**9.1 General**

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement (“Notice”) shall be deemed properly given if delivered in person, delivered by recognized national carrier service, or sent by first class mail, postage prepaid, to the person specified below:

If to Customer:

Customer: \_\_\_\_\_

Attention: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

If to EDC:

Attention: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**9.2 Billing and Payment**

Billings and payments shall be sent to the addresses set out below:

Customer: \_\_\_\_\_

Attention: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**9.3 Designated Operating Representative**

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

Customer's Operating Representative: \_\_\_\_\_

Attention: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

EDC's Operating Representative:  
\_\_\_\_\_

*Attention:* \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

*Phone:* \_\_\_\_\_ *Fax:* \_\_\_\_\_

**9.4 Changes to the Notice Information**

Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

**Article 10. Signatures**

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

For EDC:

Name: \_\_\_\_\_

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

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

For the Customer

Name: \_\_\_\_\_

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

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

## Attachment 1

### Glossary of Terms

**Affected System** – An electric system other than EDC’s Distribution System that may be affected by the proposed interconnection.

**Applicant** – A person who has filed an application to interconnect a Customer-generator Facility to EDC’s Distribution System, sometimes also referred to as the “Customer”.

**Applicable Laws and Regulations** – All duly promulgated applicable federal, State and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

**Business Day** – Monday through Friday, excluding Federal Holidays.

**Class I Renewable Energy** – has the meaning assigned to this term in N.J.A.C. 14:4-8.2.

**Customer** – Any entity that proposes to interconnect its Customer-Generating Facility with EDC’s Distribution System.

**Customer-generator** – A residential or small commercial customer that generates electricity on the Customer’s side of the meter, with a generating facility that does not exceed 2 MW in size.

**Customer-generator Facility** – The Customer’s device for the production of electricity identified in the Interconnection Application, but shall not include the Customer’s Interconnection Facilities.

**Default** – The failure of a breaching Party to cure its Breach under the terms of this Interconnection Agreement.

**Distribution System** – The EDC facilities and equipment used to deliver electricity from transformation points on the Transmission System to points of connection at a Customer’s premises

**Distribution Upgrades** – The additions, modifications, and upgrades to EDC’s Distribution System at or beyond the Point of Common Coupling to facilitate the interconnection of the Customer-generator Facility. Distribution Upgrades do not include Interconnection Facilities.

**Equipment Package** – A group of components connecting an electric generator with an electric distribution system, and includes all interface equipment including switchgear, inverters, or other interface devices. An equipment package may include an integrated generator or electric source.

**Facilities Study** – An engineering study conducted by EDC (in coordination with any Affected System) to determine the required modifications to EDC’s Distribution System, including the cost and the time require to build and install such modifications, as necessary to accommodate an Interconnection Application.

**Good Utility Practice** – Has the same meaning as assigned to this term in the Amended and Restated Operating Agreement of the PJM Interconnection (April 2005), as amended and supplemented, which is incorporated herein by reference. The Operating Agreement can be obtained on the PJM Interconnection website at [www.pjm.com](http://www.pjm.com). As of April 28, 2005, the Operating Agreement defines this term as "any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather is intended to include acceptable practices, methods, or acts generally accepted in the region."

**Governmental Authority** – Any federal, State, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Customer, EDC or any affiliate thereof.

**IEEE Standards** – The standards published by the Institute of Electrical and Electronics Engineers, available at [www.ieee.org](http://www.ieee.org).

**Impact Study** – An assessment by EDC of (i) the adequacy of EDC’s Distribution System to accommodate an Interconnection Application, (ii) whether any additional costs may be incurred in order to accommodate an Interconnection Application, and (iii) with respect to an Interconnection Application, an estimate of the Customer’s cost responsibility for EDC’s Interconnection Facilities.

**Interconnection Agreement** – This agreement between the Customer-generator and EDC, which governs the connection of the Customer-generator Facility to EDC’s Distribution System, as well as the ongoing operation of the Customer-generator Facility after it is connected to EDC’s system.

**Interconnection Facilities** – EDC’s Interconnection Facilities and the Customer’s Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Customer-generator Facility and the Point of Common Coupling, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Customer-generator Facility to the EDC’s Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades.

**Interconnection Application** – The Customer’s request, in accordance with the Tariff, to interconnect a new Customer-generator Facility, or to increase the capacity of, or make a material modification to, the operating characteristics of an existing Customer-generator Facility that is interconnected with EDC’s Distribution System.

**Net Metering** – A system of metering electricity in which EDC:

1. Credits a Customer-generator at the full retail rate for each kilowatt-hour produced by a Class I renewable energy system not to exceed 2 MW in size, installed on the Customer-generator’s side of the electric revenue meter, up to the total amount of electricity used by that Customer during an annualized period; and
2. Compensates the Customer-generator at the end of the annualized period for any remaining credits, at a rate equal to the electric supplier’s or BGS provider’s avoided cost of wholesale power.

**Operating Requirements** – Any operating and technical requirements that may be applicable due to PJM or EDC’s requirements, including those set forth in this Interconnection Agreement.

**Party or Parties** – EDC, Customer or any combination of the two.

**PJM or PJM Interconnection** – the PJM Interconnection, L.L.C., or such successor regional transmission organization to which EDC is electrically connected and coordinates operations with.

**Point of Common Coupling** – Has the same meaning as assigned to this term in IEEE Standard 1547 Section 3.0 (published July 2003), as amended and supplemented, which is incorporated herein by reference. IEEE standard 1547 can be obtained through the IEEE website at [www.ieee.org](http://www.ieee.org). IEEE Standard 1547 Section 3.0 defined this term as "the point in the interconnection of a Customer-generator Facility with an electric distribution system at which the harmonic limits are applied."

**EDC –Electric Distribution Company or EDC** means the electric utility entity that owns the Electric Distribution System.

**Tariff** – The EDC electric Tariff and its Standard Terms and Conditions as filed with the NJBPU, and as amended or supplemented from time to time, or any successor tariff.

**Transmission Owner** – EDC, unless referring to the owner of transmission facilities in an Affected System.

**Transmission System** – The facilities owned, controlled or operated by EDC or another Transmission Owner that are used to provide transmission service under the PJM Open Access Transmission Tariff.



*Attachment 2*

**One-line Diagram Depicting the Customer-generator Facility, Interconnection  
Facilities, Metering Equipment, and Upgrades**

### **Attachment 3**

#### **Description, Costs and Time Required to Build and Install EDC's Interconnection Facilities**

EDC's Interconnection Facilities shall be itemized and a best estimate itemized cost, including overheads, of the cost of its Interconnection Facilities will be provided from the Facilities Study.

Also, and a best estimate for the time required to build and install EDC's Interconnection Facilities will be provided from the Facilities Study.

## **Attachment 4**

### **Additional Operating Requirements for EDC's Distribution System and Affected Systems Needed to Support the Customer's Needs**

If required, EDC shall also provide requirements that must be met by the Customer prior to initiating parallel operation with EDC's Distribution System, as listed below.