



City of Covington

2194 Emory Street, NW
P.O. Box 1527
Covington, Georgia 30014

Power Purchase Agreement

THIS AGREEMENT made and entered into this ____ day of _____, _____, by and between

Name _____

Address _____

Description of Distributed Generation System _____

Capacity of the Distributed Generation equipment is: _____ kW,
The expected annual energy production of the Distributed Generation equipment is _____ kWh,
The expected date of initial operation of the Distributed Generation equipment is: _____,
(hereafter Owner), and City of Covington (hereafter COC), whose principal place of business is at 2194 Emory St NW, Covington, GA 30014.

Notices and Other Communications

Except as otherwise provided in this Agreement or as may be specified by the parties in writing, any notice or other communication required under this Agreement must be in writing and must be sent by registered or certified United States mail, or by messenger, or by facsimile, or by other electronic means. Any such notice or other communication must be addressed as follows and, if so addressed, will be effective upon actual receipt.

If to Owner:

Name: _____

Title: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

If to the City:

Name: City of Covington
Title: Att: Electric Department
Address: 2194 Emory Street, N.W.
Covington, Georgia 30014
Phone: 770-385-2027
Email: jsmith@cityofcovington.org

WITNESSETH

WHEREAS, Owner owns the above referenced property, and an associated system on such property that has the capability of

generating electricity of the quality and type that can be provided to the COC, and

WHEREAS, the COC is a municipal utility duly established with authority and ability to serve electrical needs to this property; and

WHEREAS, owner desires to sell to the COC excess electrical energy, that which at any given time could exceed the electrical energy consumed on the owner's property; and

WHEREAS, the COC desires to purchase such excess electrical energy,

NOW, therefore, in consideration of the terms, conditions, covenants, agreements and obligations herein stated, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed by and between the parties hereto as follows:

1. OBLIGATIONS OF THE COC

The COC Agrees to:

- a) Purchase excess electricity generated at the Owner's reference property.
- b) Install appropriate electrical metering that provides for flow of energy both into (from the COC) and out of (to the COC) the property, such metering to provide a reading of the energy used or supplied during any billing period.
- c) Bill or make payment to the Owner for the electrical energy consumed or exchanged, per the billing schedule attached as established in the COC ordinances as same may be modified by COC from time to time

2. OBLIGATIONS OF OWNER

Owner agrees and warrants:

- a) That it has full power and authority to execute and deliver this Agreement and all documents contemplated hereunder, and to assure full performance and compliance.
- b) That the Owner will pay for the electrical power exchanged as provided by the COC at the billing schedule set forth in the COC ordinances.
- c) That the Owner shall supply the COC with appropriate electrical interconnection plans, which must be designed to protect the safety of the COC and the general public, and which must be pre-approved by the COC. Included in these plans must be the requirement that the customer-owned interconnection equipment disconnect from the COC's electrical system upon the absence of COC utility power. Customer must complete the "Application for Interconnection of Distributed Generation Facility", attached as Exhibit C.

d) That the Owner agrees to provide the COC access to the metering equipment, and agrees to cooperate with the COC for any special, temporary metering COC desires to utilize from time to time to monitor energy flows.

e) That the Owner agrees to allow the COC to use data gathered from this installation for public use, such as newsletter articles, presentation, or other similar uses. Owner anonymity will be protected if desired by Owner, for such use to the extent allowed by Georgia Law.

f) That the Owner agrees to pay for any incremental COC metering or electrical distribution system costs necessitated by this Agreement.

g) That the Owner will provide, install, own and maintain such power exchange and interconnection equipment that provides for the safe interconnection to the COC's system.

h) That the Owner's installed generation and interconnection equipment will operate safely at the time of installation and throughout the term of the Agreement.

i) That the Owner will notify the COC of any changes to the Owner's system (size change, generation change, or change in interconnection equipment). Technical information on any changes in Owner's equipment must be provided to the COC and pre-approval received from the COC prior to Owner connection and operation of such equipment.

3. TERM

This agreement shall continue for a period of one (1) year, effective the date of first operation of the power exchange system, but no later than three months after the COC has installed the proper electric metering. This agreement shall automatically renew for additional one-year periods following the expiration date if neither party gives the other notice of termination at least ninety (90) days in advance of the expiration date of the original term or any one-year extension thereof.

4. COMPENSATION AND BILLING

a) Owner and the COC agree to pay for the electrical power exchanged per the rates and schedules set forth in the COC ordinances as same may be amended by COC from time to time.

5. LEGAL STATUS

It is understood and agreed that no agency, employment, joint venture or partnership is created hereby between the parties hereto; that the COC is not an affiliate of the Owner; and that neither party, nor its agents or employees, shall be deemed to be agent of the other, nor shall either party have the right, power or authority to act for the other party in any manner to create obligations or debts which would be binding upon the other party.

6. RIGHT TO TERMINATE

a) Prior to the end of the term of this Agreement, as set forth in Section 3 hereof, including any extensions or renewals, this Agreement may be terminated as follows:

i. In the event either party fails to comply with any material provision of this Agreement ("Default") which Default shall not have been cured within thirty (30) business days after notice of such Default to the defaulting party

ii. This Agreement shall terminate if the COC is denied the right to serve the Property by a court, by a public body or by a state agency or if the COC determines that it is legally impermissible for it to serve the Property.

iii. At the COC's option in the event of any conveyance of a present interest in title to the property by Owner.

b) If this Agreement is terminated for any reason, the COC shall have the right, but not the obligation, to disconnect or remove any COC equipment within a reasonable period of time following termination.

c) The COC reserves the right to inspect and test the Owner's equipment and system operation at any time before activation or during the term of this Agreement to ensure proper operation and compliance with safety requirements. This Agreement may be terminated by the COC if in the exclusive opinion of the COC engineering staff the system is unsafe or otherwise not operating in compliance with this Agreement and any technical requirements contained herein.

7. LIABILITY AND INDEMNIFICATION

a) Owner hereby agrees to indemnify the COC against, and to hold the COC harmless of and from any and all liability, claims, loss, damage and expense, including, without limitation, reasonable attorney fees and costs which COC may suffer or incur by reason of any breach of any warranty or representation made by Owner, or by reason of any action or proceeding asserted or instituted, arising from such breach, or asserted by any tenant or third-party claiming rights under this Agreement.

b) Owner and its successors shall hold the COC harmless from any damages caused by Owner, its agents, its residents or occupants, unless such damages shall result from the COC's negligent installation or maintenance of any or all of COC's electrical system.

c) Nothing in this Agreement shall be construed as a waiver by the City of Covington of any rights, immunities, privileges, monetary limitations to judgments, and defenses available to the City of Covington under law.

8. SUCCESSORS

This Agreement, shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, heirs and assigns.

9. NOTICES AND PAYMENTS

Any and all payments, notices or other communications provided for herein shall be delivered at the addresses as first set forth above or any other address which may be specified in writing by the parties hereto. All notices required to be given hereunder shall be given in writing, sent by certified mail, return receipt requested, and shall be deemed effective five (5) days after such mailing.

10. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of Georgia and the exclusive venue for all actions arising out of this Agreement (including any action for declaratory relief) shall be in Newton County, Georgia.

11. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties and contains all the covenants made between the parties with respect to the subject matter hereof. This Agreement supersedes any and all other agreements between the parties, either oral or in writing, with respect to the subject matter hereof.

12. AMENDMENTS

This Agreement may be amended, changed or modified only by written amendment executed by the parties hereto. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the party charged.

13. OWNER'S REMEDIES

The exclusive and sole remedy of the Owner shall be receipt of payment for the value of electricity generated by Owner and provided to the COC.

14. LIMITED LIABILITY

Neither party to this agreement shall be liable for the other's lost profits or special, incidental, or consequential damages, whether in an action in contract or tort, even if the party has been advised by the other party of the possibility of such damages.

15. FORCE MAJEURE

Neither party will be deemed to be in breach of this Agreement if it is unable to perform its obligations hereunder as a result of the occurrence of a failure of equipment or facilities, an event of "force majeure," or other causes beyond such party's reasonable ability to control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year set forth below.

CITY of COVINGTON

OWNER:

By (Printed Name): _____ By (Printed Name): _____

Electric Administrator

Signature: _____ Signature: _____

Exhibit A

To the Agreement for Interconnection and Parallel Operation of Small Distributed Generation Resources
10 kW or less, unless otherwise agreed, between the City of Covington and

_____, dated _____

Insert description of System