



Electric Service Rule 22

Net-metered Generation

Applicability

This rule is applicable to those CUSTOMERS who qualify for service under the TID Schedule NET rate schedule. These are CUSTOMERS who will generate electricity in parallel with the DISTRICT's distribution grid by means of solar and/or wind generation which is no more than 1 Megawatt in total peak capacity.

Interconnection

CUSTOMER shall not connect any generation to the DISTRICT's electrical grid or any part of the DISTRICT's electrical system until written approval of the facility and permission to interconnect is given to the CUSTOMER by the DISTRICT in writing. Such approval shall not be unreasonably withheld. CUSTOMER shall exercise reasonable diligence and deploy safety devices as needed to ensure that inadvertent interconnection does not occur.

Prior to DISTRICT approval CUSTOMER must complete an application and enter an interconnection agreement with the DISTRICT. The interconnection agreement may contain other requirements not stated in these rules in accordance with the law that the District may deem necessary to ensure the safe and prudent operation of the utility system and the interconnection with the CUSTOMER. The DISTRICT may modify such application and interconnection agreement from time to time as deemed necessary by the DISTRICT.

The DISTRICT, after approval of the CUSTOMER'S application and the signing of an interconnection agreement, will interconnect and operate in parallel with CUSTOMER's Net-metered Generation subject to all the applicable rules, regulations, and requirements of the DISTRICT. The CUSTOMER must at all times be in compliance with all applicable dictates of Authorities Having Jurisdiction (AHJ - as defined in the 2002 NFPA National Electrical Code).

(continued)

TURLOCK IRRIGATION DISTRICT

Turlock, California

Electric Service Rule 22 (Continued)

Net-metered Generation

CUSTOMER will be solely responsible for all legal and financial obligations arising from the construction, installation, design, operation, and maintenance of the Net-generation facility.

The CUSTOMER, at CUSTOMER's sole expense, will obtain all permits and authorizations in accordance with all applicable laws and regulations for the construction, installation, design, operation, and maintenance of the Net-generation facility. All required permits and authorizations must be kept current by the CUSTOMER.

The DISTRICT shall have the right to have its representatives present at the final inspection made by the governmental AHJ to inspect and approve the installation of the Net-metering generation. Customer shall notify the DISTRICT in accordance with the terms of the interconnection agreement, at least five (5) days prior to such inspection.

The CUSTOMER shall provide a lockable and accessible knife-blade disconnect switch acceptable to the DISTRICT and clearly labeled "Generator Disconnect Switch" that will allow safe isolation of the CUSTOMER'S generator from the DISTRICT'S electrical facilities for maintenance and operating purposes. The primary locking provision shall be reserved so that TID personnel will be capable of applying a padlock at any time to ensure the disconnect is locked open. The CUSTOMER shall be permitted to lock open the disconnect for maintenance purposes provided CUSTOMER uses a dual locking device that will enable TID personnel to safely and independently lock open the disconnect at any time.

Operation

The DISTRICT shall have the right to request inspection by DISTRICT personnel and/or request testing of Net-generation facilities if there are indications that the CUSTOMER'S generation equipment is not performing properly or if the DISTRICT determines that safe operation of their facilities is reasonably in question.

(continued)

TURLOCK IRRIGATION DISTRICT

Turlock, California

Electric Service Rule 22 (Continued)

Net-metered Generation

CUSTOMER may reconnect the Net-metering generation to the DISTRICT's system following normal operational outages and interruptions without notifying the DISTRICT unless the DISTRICT has disconnected service to the CUSTOMER, or the DISTRICT notifies CUSTOMER that reconnection poses the reasonable possibility of a safety hazard. If the DISTRICT has disconnected service to the net-metering generation or CUSTOMER service facility, or the DISTRICT has notified CUSTOMER that a reasonable possibility of a safety hazard caused by reconnection, then the CUSTOMER must call the DISTRICT's Operation Administration and receive authorization prior to reconnecting to the DISTRICT'S system.

CUSTOMER shall operate and maintain facilities in a safe and prudent manner and in full conformance with all applicable solar or wind electrical generating system safety and performance standards established by the National Electrical Code (NEC), the Institute of Electrical and Electronic Engineers (IEEE), and accredited testing laboratories such as Underwriters Laboratories, and where applicable, rules of the Public Utilities Commission regarding safety and reliability, and applicable laws, regulations, and building codes.

The DISTRICT may enter CUSTOMER's premises without prior notice for the following reasons:

to inspect, at reasonable hours, CUSTOMER's protective devices and read or test any DISTRICT meter;

to disconnect at any time, without notice, the CUSTOMER'S net-metering generation if, in the DISTRICT's sole opinion, a hazardous condition exists and that immediate action is necessary to protect persons, or the DISTRICT's facilities, or property of others from damage or interference caused by (1) CUSTOMER's facility, or (2) Customer's failure to comply with applicable requirements.

(continued)

TURLOCK IRRIGATION DISTRICT

Turlock, California

Electric Service Rule 22 (Continued)

Net-metered Generation

Other

The Net-metering Generation CUSTOMER shall defend, indemnify and hold harmless the DISTRICT, it's employees, directors, officers, and agents, from any and all liability arising from the operation and interconnection of the CUSTOMER'S Net-metering Generation Facility. The CUSTOMER shall bear full responsibility for the installation and safe operation of the equipment required to generate and deliver energy or capacity and energy to the point of interconnection.

The DISTRICT will not be liable whether in contract or in tort or under any other legal theory to the owner of a Net-metering Generation facility, or any other person or entity for any of the following that arises out of the CUSTOMER's use of a Net-Metering Generation Facility: (1) lost generation revenue; (2) loss of use revenue or profit; (3) cost of capital; (4) substitute use or performance; or (5) for any other incidental, indirect, special, or consequential damages.

(End)