



SINGLE OWNER CUSTOMER NET ENERGY BILLING AGREEMENT
(Facilities of 100 kW or Less)

BETWEEN

KENNEBUNK LIGHT & POWER DISTRICT

AND

CUSTOMER NAME: _____

DATED: _____

Contract Date: _____

Contract date to be filled in by the utility.

**KENNEBUNK LIGHT & POWER DISTRICT
CUSTOMER NET ENERGY BILLING AGREEMENT**

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**KENNEBUNK LIGHT & POWER DISTRICT
CUSTOMER NET ENERGY BILLING AGREEMENT**

Facility of 100kW or Less

Name: _____

This AGREEMENT is dated_____, and is between Kennebunk Light & Power District, a Maine consumer-owned transmission and distribution utility created by private and special laws and under the laws of the State of Maine (“Company”), and _____ (the "Customer") located at _____.

Chapter 313 of the Rules and Regulations of the Maine Public Utilities Commission requires consumer-owned utilities to offer a Net Energy Billing – Kilowatt-Hour Credit Program for customers wishing to engage in annualized net energy billing arrangements, provided such customers and the subject facilities meet the qualification and use standards of Chapter 313.

The Customer has represented to the Company that it meets the qualification and use standards of Chapter 313 and has requested that the Company engage in annualized Net Energy Billing – Kilowatt-Hour Credit Program billing with the Customer as described in Chapter 313.

The Parties therefore agree as follows:

ARTICLE I: DEFINITIONS

As used herein, the terms below are defined as follows:

“Bi-directional Meter” means a single meter that is capable of measuring both (i) the kilowatt-hours delivered to the Company's system from the Facility and (ii) the kilowatt-hours that flow from the Company's system to the Facility.

“Billing Period” is the period of time (approximately thirty (30) days) between the recordings of metered energy delivered to the Customer and received from the Facility.

“Certificate of Completion” is the form adopted by the Company, in accordance with Chapter 324 of the Commission Rules, for electrician certification that the facility is fully operable and meets the requirements of State and Local electrical codes for interconnection to the Transmission & Distribution electric system. {Note – Definition is not applicable for existing resources. }

“Commercial Operation Date” means the date on which the Project is commercially operational, placed into service, and interconnection operations have commenced. The Commercial Operation Date cannot be before the date as stated on the Certificate of Completion or other written permission to operate or authority to interconnect the Facility provided by the T&D Utility. {Note – Definition is not applicable for existing resources. }

“Commission” is the Maine Public Utilities Commission established under Title 35-A of the Maine Revised Statutes or any succeeding state regulatory agency having jurisdiction over public utilities.

“Company” has the meaning set forth in the preamble of this Agreement

"Competitive Electricity Provider" is a marketer, broker, aggregator, or any other entity selling electricity to the public at retail in Maine.

“Construction Period” has the meaning set forth in Section III of this Agreement.

"Credits" are the number of kilowatt-hours by which Out Energy has exceeded In Energy during any Billing Period.

“Customer” has the meaning set forth in the preamble of this Agreement.

“Delivery Period” is the period of time beginning on the Commercial Operation Date and ending on a date up to 20 years after the Commercial Operation Date, during which the Company applies Bill Credits in accordance with this Agreement.

“Distributed Generation Procurement” means the program administered by the Commission pursuant to Title 35-A, chapter 34-C of the Maine Revised Statutes, as may be amended from time to time.

“Effective Date” has the meaning set forth in Article III of this Agreement.

"Excess Usage" is the quantity expressed in kilowatt-hours determined by subtracting Unused Credits from Net In Energy. If Unused Credits exceed Net In Energy, Excess Usage is equal to zero (0).

"Facility" is a discrete generation facility, including Customer _____ kW _____ generator located at _____, as more fully identified in the Interconnection Agreement between the Company and the Customer, as well as all associated generating plant and equipment.

"In Energy" is the kilowatt-hours delivered to the Customer from the Company's system as measured by the In Meter(s) or a Bi-directional Meter during the Billing Period.

"In Meter(s)" are the metering equipment used to measure the kilowatt-hours that flow from the Company's system to the Customer.

“Megawatt” or “MW” means megawatt denominated in alternating current (AC).

"Net Energy" is the difference between the kilowatt-hours delivered by the Company to the Customer and the kilowatt-hours delivered from the Facility to the Company over the same time period and determined as if measured by a single meter capable of registering the flow of electricity in two directions.

“Net Energy Billing – Kilowatt-Hour Credit Program” means a billing and metering practice under which a customer having up to ten (10) accounts is billed on the basis of net energy taking into account unused kilowatt-hour credits from the previous billing period, subject to provisions of Chapter 313 of Commission Rules.

"Net In Energy" is the quantity expressed in kilowatt-hours determined by subtracting Out Energy from In Energy during the Billing Period. If Out Energy exceeds In Energy, then Net In Energy is zero (0).

"Net Out Energy" is the quantity expressed in kilowatt-hours determined by subtracting In Energy from Out Energy during the Billing Period. If In Energy exceeds Out Energy, then Net Out Energy is zero (0).

"Out Energy" is the kilowatt-hours delivered to the Company's system from the Facility as measured by the Out Meter(s) or a Bi-directional Meter during the Billing Period.

"Out Meter(s)" are the metering equipment used to measure the kilowatt-hours delivered from the Facility to the Company's system.

"Party" means either the Company or Customer and "Parties" means both the Company and Customer.

"Rules" are such Rules and Regulations promulgated by the Commission as shall be in effect from time to time. References in this Agreement to particular provisions of the Rules shall be construed to refer to analogous provisions of any succeeding set of Rules promulgated by the Commission, notwithstanding that such provisions may be designated differently.

"Unused Credits" are Credits that, in accordance with this Agreement, remained when Excess Usage was determined for any Billing Period. Unused Credits do not include any Credits that have been eliminated in accordance with the provisions of paragraph (C) of Article IV.

ARTICLE II: QUALIFICATIONS

It is the essence of this Agreement that the Facility: (i) use a renewable fuel or technology as specified in 35-A M.R.S.A. § 3210(2) (B-3), (ii) have an installed capacity of 100 kW or less, be located in the service territory of the Company and (iv) be used primarily to offset part or all of the Customer's own electricity bill.

In accordance with the Commission's Advisory Ruling dated February 9, 2021 in Docket No. 2020-00332, the Commission determined that battery storage can be combined with a renewable fuel or technology as defined in 35-A M.R.S.A. § 3210(2) (B-3) so long as there are controls in place that prevent the battery storage from being charged from the grid. Customers shall be required to demonstrate that as part of the application process whether the Facility will be paired with battery storage and if controls have been or will be in place to prevent the battery storage from being charged from the grid. In accordance with the Advisory Ruling, for Customers with Facilities that are paired with battery storage, the Customer must submit an annual attestation affirming that the controls necessary to prevent the battery from being charged from the grid remain in place. The Company will initiate the annual attestation process and will track responses. In the event that a Customer does not provide the annual attestation or is found to have removed or modified the controls such that the battery can be charged from the grid, then (i) the Customer will be deemed ineligible to participate in Net Energy Billing, (ii) the Company may immediately terminate this Agreement without following the Breach provisions set forth in Article XII of this Agreement, and (iii) the Company may require that the Customer refund to Model Power the value of credits provided under this Agreement.

If the Customer removes both the battery and the controls from the Facility, the attestation requirement will cease upon notification of the removal. If the battery remains at the Facility site, the Customer must continue to submit an annual attestation.

The Customer and the Company are jointly responsible for using commercially reasonable efforts to monetize the value of the output of the facility. In order to ensure that ratepayer value is optimized, the timing of the battery discharge to the grid must occur from 8:00 a.m. through 8:00 p.m. non-holiday, weekdays. This period is subject to change if there is a shift in applicable wholesale market peak period price that would optimize ratepayer value. In such event, the Company will notify the Customer of the change in the hours allowed for battery discharge and will amend the contract to set forth the new hours. The Company will audit the facility generation and may require the Facility to install additional metering to track battery discharge to the grid. Any incremental costs associated with additional metering associated with the battery storage facility will be borne by the Customer.

Customer agrees that it shall at all times during the term of this Agreement meet the qualifications set forth in the preceding paragraphs, as applicable.

ARTICLE III: TERM AND EFFECTIVE DATE

For new resources, this Agreement has two periods that together comprise the Term of the Agreement.

The Company shall issue this Agreement within 10 Business Days of either (i) the execution of the Interconnection Agreement for the Facility, or (ii) for a Facility that does not have an interconnection agreement but has an interconnection queue position, and the Customer has provided to the Company documentation that it has attained Financial Interest for at least ninety percent (90%) of the Facility capacity, output, or other form of participation or subscription. The Company shall execute this Agreement within fifteen (15) Business Days of receiving this Agreement signed by the Customer. This Agreement is effective when fully executed by the Parties (the "Effective Date").

(a) The Construction Period commences on the Effective Date and ends on the Commercial Operation Date. Customer shall provide notice to the Company a minimum of ten (10) Business Days in advance of the Commercial Operation Date. The Construction Period must be completed within 24 months of the Effective Date. Customer may seek an extension of the Construction Period for an interconnection-related delay or circumstances beyond Customer's control, or as consented to by the Company, which such consent shall not be unreasonably withheld.

(b) The Delivery Period of the Agreement, with respect to applying Bill Credits, begins on the Commercial Operation Date of the Facility and continues through the twentieth (20th) anniversary of the Commercial Operation Date.

For existing resources, the Delivery Period of the Agreement with respect to applying Bill Credits, begins on the Effective Date and continues through the 20th anniversary of the Effective Date.

ARTICLE IV: NET ENERGY BILLING

The following methodology will be utilized by the Company in determining Customer's

payment obligations for (i) transmission and distribution service provided by the Company and (ii) electric generation service provided by either the Standard Offer Provider or the Customer's Competitive Electricity Provider. If the Customer's Competitive Electricity Provider provides the Customer with a separate bill for generation service, the Company shall not in any way be responsible for computing the charges or performing any netting for this separate generation service bill.

A. Excess Generation

If during a Billing Period, Net Out Energy is greater than zero (0), then for the Facility at the conclusion of that Billing Period: (i) Net In Energy (i.e., kilowatt-hour usage) will equal zero (1) and (ii) Unused Credits are increased by the value of Credits, determined for that Billing Period, and that increased value, in accordance with paragraph (C) Unused Credits of this Article IV, will remain for possible future application.

B. Excess Usage

If during a Billing Period, Net In Energy is greater than zero (0), then Excess Usage for that Billing Period will be calculated. If Excess Usage is greater than zero (0), then for the Facility at the conclusion of that Billing Period: (i) kilowatt-hour usage will equal the value of Excess Usage and (ii) Unused Credits are equal to zero (0). If Excess Usage is equal to zero (0), then for the Facility at the conclusion of that Billing Period: (i) kilowatt-hour usage is equal to zero (1) and (ii) Unused Credits are reduced by the value of Net In Energy, determined for that Billing Period, and that reduced value, in accordance with paragraph (C) Unused Credits of this Article IV, will remain for possible future application.

C. Unused Credits

As customers are invoiced each month, current month Credits are first applied and then, if applicable, Unused Credits are drawn from the customer's bank. In applying banked Unused Credits to a Customer account, the oldest Unused Credits will always be drawn from the account bank first. Unused Credits expire on a rolling 12-month basis. Accordingly, any Unused Credits that remain in the Customer account bank will be eliminated after the twelfth month and will not be applied against customer invoices. The Customer will receive no compensation for these eliminated Unused Credits.

D. Charges

Net Energy Billing only applies to kilowatt-hour usage charges. Any other charges that are applicable to the Customer and that are recovered by the Company other than through kilowatt-hour usage charges will be collected by the Company and are the responsibility of the Customer. For example, the Customer is responsible for all other charges, which are applicable and recovered by the Company either through fixed amounts or units other than kilowatt-hours.

E. Application of kWh and financial Credits

If an individual customer participates in one or more Net Energy Billing arrangements and/or also receives financial credits in any Distributed Generation arrangement, the customer's consumption will first be reduced by any applicable kWh credits before financial credits are

applied. Separate banks will be created for kWh and financial credits and each will expire based upon the terms applicable to each type of contract under which the credits are acquired.

ARTICLE V: INTERCONNECTED OPERATION

This Agreement governs solely the terms and conditions under which the Company will engage in net energy billing with the Customer. It **does not** authorize the Customer to interconnect the Facility with the Company's electric system. The terms and conditions of interconnected operation shall be set forth in a separate Interconnection Agreement between the Customer and the Company. For new resources, the Customer **may not operate** the Facility in parallel with the Company's system until the Company provides you with written notification specifically stating that all of the requirements for interconnection have been satisfied. Customer shall be solely responsible for any damages, expenses, or other liability to the Company's system arising from or related to Customer's interconnection of the Facility to the Company's system or Customer's operation of Facility and agrees to indemnify, defend, and hold harmless, the Company from the same.

ARTICLE VI: METERING

The Company will install metering equipment as necessary 1) to accomplish the billing as described in Article IV: Net Energy Billing of this Agreement and 2) to collect the applicable State of Maine sales tax on the In Energy. In the event that the Company determines that it is necessary to separately record In Energy and Out Energy, the Company will bear the additional cost of metering equipment to separately record In Energy and Out Energy.

In the event that the Customer requests additional metering which is in addition to the metering that the Company determines is necessary to accomplish Net Energy Billing, such metering will be treated as additional metering under Section 6.10(a)(3) of its Terms and Conditions and Customer shall be solely responsible for owning, maintaining, and installing such additional metering.

The Company will own, maintain, and read all metering equipment necessary for Net Energy Billing. If the Out Meters are not at the same voltage as the Point of Delivery, the metered energy quantities shall be adjusted to the delivery voltage as provided in the Company's tariff, which may be amended from time to time, as filed with and accepted by the Commission.

ARTICLE VII: ACCESS

The Company shall have the right of access to Customer's premises on which the Facility is located and to all property furnished by the Company installed therein, at all reasonable times during which service is provided to the Customer, and on its termination, for the purpose of reading meters, or installation, inspection and repair of equipment used in connection with its energy, or removing its property, or for any other proper purposes.

The Customer, at their expense, shall maintain suitable and safe access to all equipment owned by the Company on the Customer's property. If the Customer's property is secured by a gate, chain or similar device, the Customer shall install the device to allow installation of a Company owned lock for access to this property.

ARTICLE VIII: BILLING ADJUSTMENTS

In the event that billing adjustments are required as the result of meter inaccuracies or any other error, the Company and the Customer will work together to correct the billing. Company and Customer shall work together in good faith to make the billing adjustment as soon as practicable and shall make every attempt to correct the billing within one (1) Billing Period from identification of the need for the billing adjustment.

If Credits allocated were found to be lower than they should have been, the Company will perform a true-up and allocate the previously un-allocated Credits during the next Billing Period. The Credits will expire 12 months from the date they were allocated to the Customer(s).

If Credits allocated were found to be higher than they should have been, the Company will perform a true-up and reduce the Credits during the next Billing Period by the previously over-allocated Credit amount.

If the Company and Customer cannot resolve the billing adjustment to their mutual satisfaction, they may commence the dispute resolution process in Article XII below.

ARTICLE IX: GOVERNMENTAL AUTHORIZATIONS

The Customer shall obtain all governmental authorizations and permits required for operation of the Facility and shall maintain all required governmental authorizations and permits required for the Facility during the term hereof. The Customer shall provide copies of any such authorizations, permits and licenses to the Company upon request.

ARTICLE X: ASSIGNMENT

This Agreement shall not be assigned, pledged or transferred by either Party without the written consent of the non-assigning Party, which consent shall not be unreasonably withheld: provided that either Party may assign this Agreement without prior written consent of the non-assigning Party (i) to an affiliate of said Party or (ii) as collateral security to any lenders, investors, or financial institutions in connection with any financing for the Facility. All assignees, pledgees or transferees shall assume all obligations of the Party assigning the Agreement. If this Agreement is assigned without the written consent of the non-assigning Party (except as otherwise provided above), the non-assigning party may terminate the Agreement.

If the Customer is a closely-held corporation, then for the purposes of this Article a sale of all or substantially all of the voting securities of the Customer to a third party shall be deemed an assignment of this Agreement; provided that a sale of all or substantially all of the membership interests of a limited liability company shall not be deemed an assignment of this Agreement; provided further that a change of control in a parent entity that directly or indirectly owns or controls Customer shall not be deemed an assignment of this Agreement.

If this Agreement is assigned from the Customer to another party, by virtue of any insolvency proceeding, then the assignee, within 90 days of assumption of this Agreement, shall reimburse the Company for all reasonable expenses incurred by the Company in conjunction with such insolvency proceeding, including but not limited to, reasonable attorneys' fees.

The Company and the Customer agree that in determining whether any withholding of consent to an assignment shall be reasonable, it shall be understood that it is of the essence of this Agreement that (i) the Customer deliver its energy from the Facility as defined herein, (ii) the assignee be a transmission and distribution customer of the Company, and (iii) the assignee shall have entered into a valid Interconnection Agreement with the Company. For that reason, the Company may reasonably refuse to consent to any assignment of this Agreement that would result in a change either in the type or the location of the Facility contemplated in this Agreement.

ARTICLE XI: BREACH; TERMINATION

Customer may terminate this Agreement at any time in its sole discretion by providing notice to the Company not less than one hundred and eighty (180) days before such termination.

In the event of breach of any material terms or conditions of this Agreement, if the breach has not been remedied within 30 days following receipt of written notice thereof from the other Party (provided that, if the breaching Party has commenced and is diligently pursuing efforts to cure such breach, then such 30-day period shall be extended until the earlier of (i) 30 additional days or (ii) end of diligent efforts to cure the breach), then the non-curing party may terminate this Agreement by written notice at any time until cure of such breach occurs. In the event of any proceedings by or against either Party in bankruptcy, insolvency or for appointment of any receiver or trustee or any general assignment for the benefit of creditors (excluding, for the avoidance of doubt, an assignment in accordance with Article X or other collateral), the other Party may terminate this Agreement.

If the Customer increases the capability or the installed capacity of the Facility to exceed 100kW, this Agreement shall immediately terminate. The Company shall not be liable to the Customer for any damages resulting from a termination pursuant to this paragraph.

If the Customer's generating equipment produces zero (0) kilowatt-hours during any period of twelve (12) consecutive Billing Periods after the Commercial Operation Date, the Company may terminate this Agreement.

ARTICLE XII: DISPUTE RESOLUTION

In the event of any dispute between the Parties hereto as to a matter referred to within this Agreement or as to the interpretation of any part of this Agreement, the Parties shall refer the matter to their duly authorized representatives for resolution. Should such representatives of the respective Parties fail to resolve the dispute within ten (10) days from such referral, the Parties agree that any such dispute shall be referred to the Commission for resolution. To the extent that the Commission declines to resolve the dispute or lacks the jurisdiction to do so, the Parties may pursue any rights or remedies available at law or in equity and consistent with this Agreement in connection with the dispute.

ARTICLE XIII: LIMITATION OF LIABILITY

Liabilities of Parties arising from any act or omission occurring during its performance of this Agreement shall be limited to the amount of direct damage actually incurred/suffered by the other party. No Party shall be liable to the other Party under any legal theory for any loss, claim, injury liability, damage, or expense, relating to or arising from any indirect, special, incidental, or

consequential damages of any character, including without limitation, damages for loss of goodwill, work stoppage, computer failure or malfunction, or an and all other commercial damages or losses, even if such party have been informed of the possibility of such damages.

ARTICLE XIV: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter.

ARTICLE XV: MODIFICATION

Except as explicitly authorized herein, no modification to this Agreement shall be valid unless it is in writing and signed by both Parties hereto, or their successors or assigns.

ARTICLE XVI: NOTICES

All notices, requests and other communications hereunder (herein collectively a "notice" or "notices") shall be transmitted by the Party transmitting the communication, via first class mail, courier, overnight delivery service, or by electronic mail addressed to the other Party as follows:

To the Company:

Kennebunk Light & Power District
4 Factory Pasture Lane
Kennebunk, ME 04043
(207) 985-3311
info@klpd.org

To Customer:

Contact Person Name: _____
Contact Person Address: _____
Contact Person Town, State Zip: _____
Contact Person Telephone: _____
Email Contact Person: _____

The Company and Customer, upon thirty (30) days written notice to the other in accordance with this Article, may change a name or address to which notices under this Agreement must be sent.

ARTICLE XVII: APPLICABLE LAWS

This Agreement is made in accordance with the laws of the State of Maine and shall be construed and interpreted in accordance with the laws of Maine, notwithstanding any choice of law or rules that may direct the application of the laws of another jurisdiction.

If, after the execution of this Agreement, any right or obligation of either Party under this Agreement is materially altered as the result of any change in applicable laws or regulations, the

parties agree to negotiate in good faith to amend this Agreement to conform to the revised law or regulation. If the Parties are unable to come to an agreement as to the appropriate amendment of this Agreement in the event of a change in applicable laws or regulations then the Party whose right or obligation is materially altered as a result of such change in law or regulations may terminate this Agreement by providing the other Party with sixty (60) days prior written notice, in which case the Parties' respective rights and obligations will be governed by the applicable revised law or regulation after such termination of this Agreement.

ARTICLE XVIII: INTEGRATION

The terms and provisions contained in this Agreement between the Customer and the Company constitute the entire Agreement between the Customer and the Company and shall supersede all previous communications, representations, or agreements, either verbal or written, between the Customer and the Company with respect to the Facility and this Agreement.

ARTICLE XIX: SEVERABILITY

The invalidity of any provision of this Agreement shall not affect the validity or enforceability of any other provision set forth herein.

ARTICLE XX: CAPTIONS

All indexes, titles, subject headings, section titles, and similar items are provided for the purpose of reference and convenience and are not intended to be inclusive or definitive or to affect the meaning of the contents or scope of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed, all as of the day and year first above written.

WITNESS:

CUSTOMER NAME

By: _____
Its:

WITNESS:

KENNEBUNK LIGHT & POWER DISTRICT

By: _____
Its: