

City of High Point

*Municipal Office Building
211 South Hamilton Street
High Point, NC 27261*

Meeting Agenda

Monday, November 1, 2010

4:45:00 PM

Council Chambers

Committee of the Whole

*Rebecca R. Smothers, Mayor
M. Christopher Whitley, Mayor Pro Tem
Latimer B. Alexander, IV, William S. Bencini,
Mary Lou Blakeney, Foster Douglas, John Faircloth,
Michael D. Pugh, Bernita Sims*

ROLL CALL, PRAYER, PLEDGE OF ALLEGIANCE**PRESENTATION OF ITEMS****FINANCE COMMITTEE - Council Member Whitley, Chair**

Committee Members - Bencini, Douglas, Alexander

100310 Contract - Bid No. 08 - Police Training Facility

Award of contract for Bid No. 08 for construction of Police Training Facility. Purchasing and the Police Department recommend that contract be awarded to Lomax Construction, Inc. in the amount of \$695,500.00 which is the lowest responsible and responsive bidder meeting specifications.

100311 Budget Ordinance Amendment - American Recovery & Reinvestment Funds - Mass Transit Funds

Adoption of a budget ordinance amending the 2010-2011 Budget Ordinance in the amount of \$397,579 for American Recovery & Reinvestment Funds (ARRA) for the City's Mass Transit Department.

100312 Renewable Energy Generation Program

City Council is requested to adopt/approve the following documents to develop the city's Renewable Energy Generation Program:

Resolution establishing standards for interconnection small generator systems
Electric Rate Rider RECR-1
Power Purchase Agreement - Form 1
Power Purchase Agreement - Form 2
Power Purchase Agreement - Form 3

PUBLIC SAFETY COMMITTEE - Council Member Faircloth, Chair

Committee Members - Douglas, Pugh, Alexander

100313 Ordinance - Vacate/Close Structure - 1013 Adams Street

Adoption of an ordinance ordering the inspector to effectuate the vacating and closing of a structure located at 1013 Adams Street belonging to Frances T. Borton.

100314 Ordinance - Vacate/Close Structure - 508 Wise Avenue

Adoption of an ordinance ordering the inspector to effectuate the vacating and closing of a structure located at 508 Wise Avenue belonging to Nathaniel E. & Margaret G. Bolds.

PUBLIC SERVICES COMMITTEE - Council Member Sims, Chair

Committee Members - Blakeney, Faircloth, Whitley, Alexander

PLANNING & DEVELOPMENT COMMITTEE - Council Member Bencini, Chair

Committee Members - Blakeney, Pugh, Sims, Faircloth

PUBLIC COMMENT PERIOD

PUBLIC HEARINGS ON ITEMS

ADJOURNMENT

**DEPARTMENT OF PLANNING AND DEVELOPMENT
INSPECTION SERVICES DIVISION
HOUSING ENFORCEMENT**

ORDINANCEREQUEST: Ordinance to Vacate

PROPERTYADDRESS: 508 Wise Avenue

OWNER: Nathaniel E & Margaret G Bolds

**FIRST
INSPECTION**
09-01-2010

Number of Violations: Major 7 Minor 22
1) bars on windows, blocking egress
2) no smoke detectors
3) improperly vented dryer
4) improper roof flashing at rear porch
5) burned receptacles
6) GFI breaker needed in kitchen
7) rotted ceiling joists over living room

HEARING RESULTS:
09-17-2010

The owner did not appear for the hearing. During the hearing, the following findings of fact were established. There are numerous violations of the Minimum Housing Code. The inspection was in response to a complaint from the tenant. At the time of the initial inspection, the dwelling was occupied by 1 adult and 3 children. The unit is still occupied. The ordinance is requested to allow the inspector to vacate, close and placard the dwelling in accordance with State statutes.

ORDER(S) ISSUED:
09-17-2010

Order to Repair with a compliance date of 10-18-2010

APPEALS:

No appeals to date.

OWNER ACTIONS:

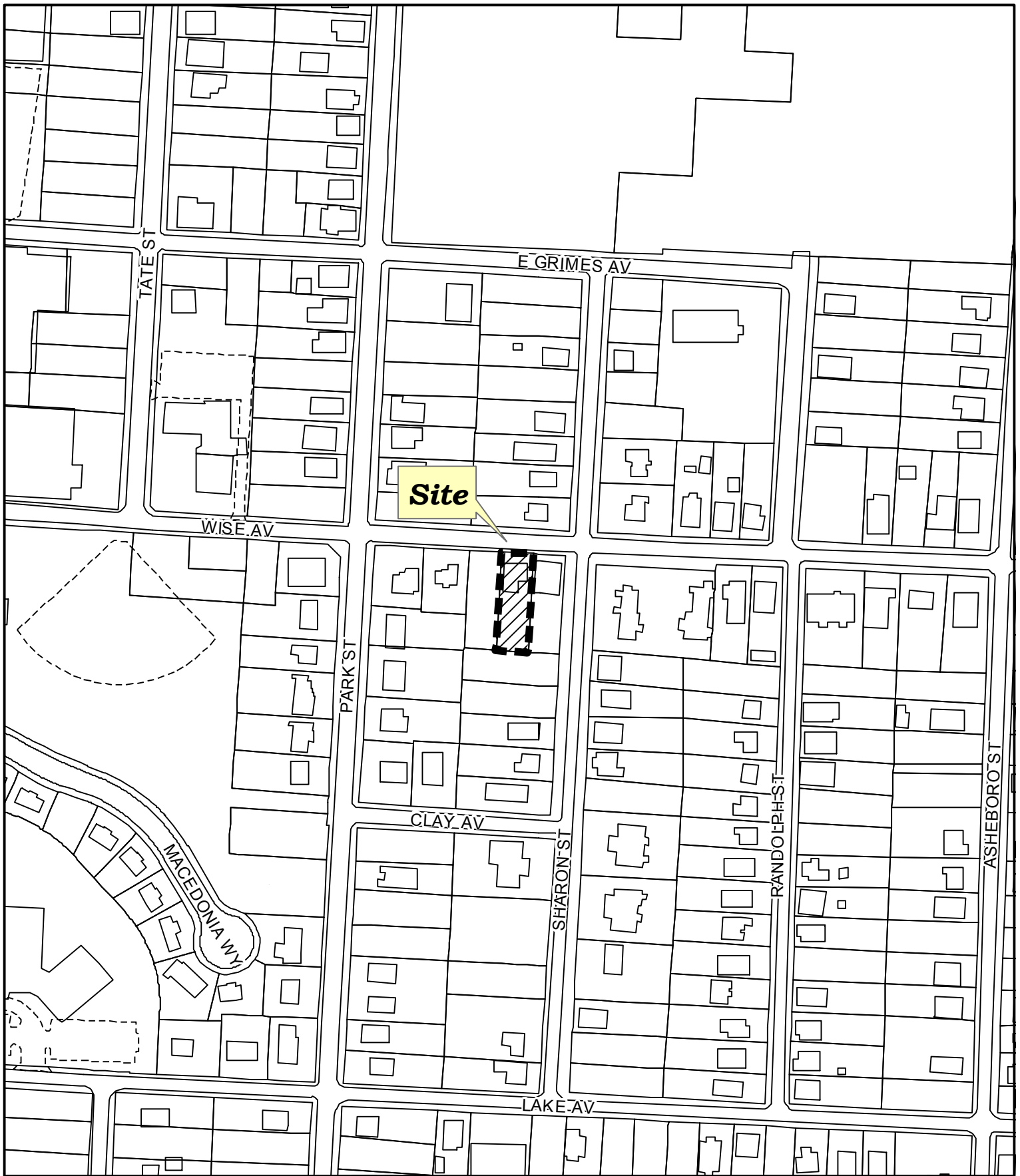
A building repair permit was issued 09-24-2010. The owner has made minimal repairs to correct some minor violations.

EXTENSIONS:

None requested by the owner.

CURRENT STATUS:
10-22-2010

Repairs are not complete. Dwelling is still occupied



508 Wise Avenue

Ordinance to Vacate/Close



Location of subject property

**Department of Planning
and Development**

City of High Point

Date: October 25, 2010



Scale: 1"=200'
y/ba-pz/inspection/vacate



508 Wise Avenue



October 25, 2010

MEMORANDUM

TO: Strib Boynton
City Manager

FROM: Louanne C. Hedrick
Budget & Evaluation Officer *Louanne*

SUBJECT: Agenda Item for City Council

The City's Mass Transit Department has received additional American Recovery and Reinvestment (ARRA) grant funding from the FTA in the amount of \$397,579.

The grant funds are for operating assistance, and will be used for the changes to the Westchester Drive route as well as to purchase and install automatic vehicle location equipment and software for the Dial-A-Lift service. .

A budget amendment to appropriate the ARRA funds for this grant is attached.

Angela Wynes will be available to answer any questions you may have.

cc: Pat Pate
Randy McCaslin
Mark McDonald
Angela Wynes
Jeff Moore
Amy Sink

Attachments: Budget Amendment
Memo

"AN ORDINANCE AMENDING THE 2010-2011 BUDGET ORDINANCE
OF THE CITY OF HIGH POINT, NORTH CAROLINA
FOR AMERICAN RECOVERY & REINVESTMENT FUNDS

Be it ordained by the City Council of the City of High Point, North Carolina,
as follows:

Section 1. The City has been awarded \$397,579 in American Recovery and Reinvestment stimulus funding from The Federal Transit Administration.

Section 2. The following additional revenues that will be available to the City of High Point Mass Transit Fund include:

- (A) That the Mass Transit Fund of the City of High Point, is hereby amended as follows:

Federal Grant Funds	\$ 397,579
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- (B) That the Mass Transit Fund expenditures are hereby amended as follows:

Mass Transit Expenditures	397,579
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Section 3. That all ordinances, or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. That this ordinance shall be effective from and after its passage."



CITY OF HIGH POINT NORTH CAROLINA



DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION DIVISION

To: Randy McCaslin, Assistant City Manager
From: Angela W. Wynes, Assistant Transit Manager *aw*
Date: October 13, 2010
Subject: Transit American Recovery and Reinvestment Act Grant Funding

The High Point Urbanized Area was eligible for \$2,081,079 of the 2009 American Recovery and Reinvestment Act transit funding. In July 2009, the FTA awarded The City of High Point a first grant totaling \$623,500 for projects for the City and Davidson and Guilford Counties. We have since received a second award for \$397,579. The funds are for operating assistance for the changes to the Westchester Drive route and to purchase and install automatic vehicle location equipment and software for the Dial-A-Lift service. The remainder of the funds allocated to the High Point Urbanized Area was used by PART to purchase vehicles and construct Park and Ride Lots.

A budget ordinance amendment is requested to establish the accounts necessary to proceed with implementing the additional projects.

If you have any questions or concerns, please advise.

c: Mark McDonald, Transportation Director

716 West Kivett Drive, High Point, North Carolina 27262
Phone (336) 889-7433 • TDD Phone (336) 883-8517
Fax (336) 883-3425 • www.high-point.net/hitrans



City of High Point North Carolina



Department of Transportation

Public Transportation Division

To: Lou Hedrick
From: Angela W. Wynes *aw*
Date: October 12, 2010
Subject: Approved Grant for Additional ARRA Funds

The Federal Transit Administration approved our request for an additional \$397,579 of ARRA funds. The funds are for operating assistance for the changes to the Westchester Drive route and to purchase and install automatic vehicle location equipment and software for the Dial-A-Lift service. These funds were not included in the adopted budget as revenues; therefore we are requesting the following budget amendment.

Revenues

AU	Acct	Activity	Acct Cat	Requested
641621	412999	641109801480	RFEDA	-208,108
641622	412999	641109801480	RFEDA	-189,471
				-397,579

Expenses

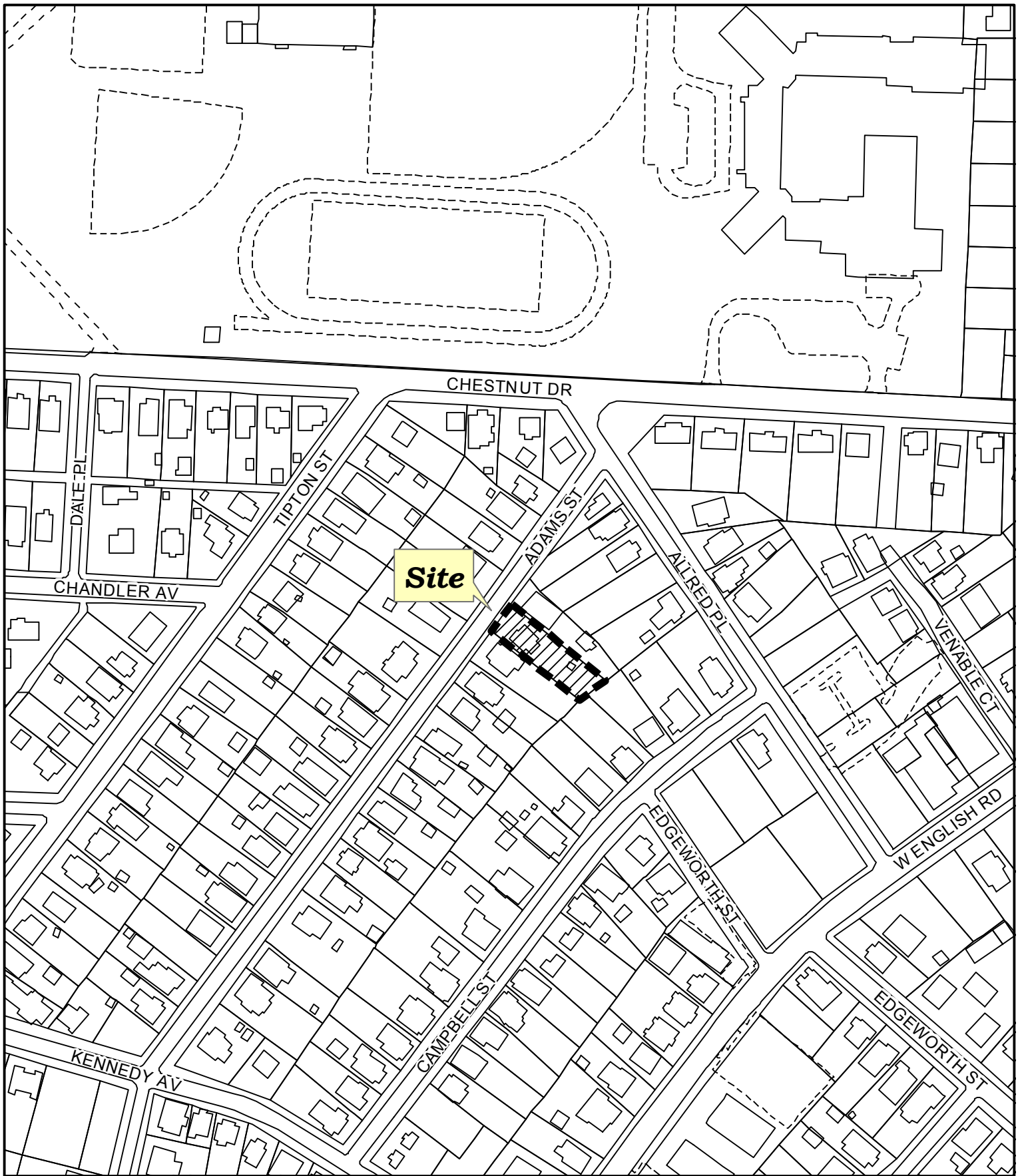
AU	Acct	Activity	Acct Cat	Requested
641621	511101	641101101405	70101	54,126
641621	512201	641101101405	70201	4,140
641621	512202	641101101405	70202	3,486
641621	512101	641101101405	70203	11,160
641621	512103	641101101405	70204	432
641621	512102	641101101405	70205	108
641621	512104	641101101405	70208	1,600
641621	524103	641101101405	70401	1,500
641621	524106	641101101405	70401	20,000
641621	526101	641101101405	70499	1,000
641621	526101	641101101410	70499	6,000
641621	524208	641101101410	70499	20,000
641621	524209	641101101410	70499	5,000
641621	522601	641101101415	70499	2,500
641621	525102	641101101415	70399	500
641621	521101	641101101420	70499	5,000

641621	523201	641101101420	70502	4,500
641621	523202	641101101420	70502	400
641621	523203	641101101420	70502	600
641621	523204	641101101420	70502	400
641621	523206	641101101420	70502	100
641621	523207	641101101420	70502	40
641621	523208	641101101420	70502	100
641621	528201	641101101420	70603	1,000
641621	529212	641101101420	70999	250
641621	529999	641101101420	70999	54,166
641621	528301	641101101420	70603	10,000
641622	526104	641106301465	S6220	189,471
Total				397,579

The Activity Group NC96X014 has been created to track these project expenses and revenues. If you have any questions or concerns, please advise.

**DEPARTMENT OF PLANNING AND DEVELOPMENT
INSPECTION SERVICES DIVISION
HOUSING ENFORCEMENT**

ORDINANCEREQUEST:	Ordinance to Vacate
PROPERTY ADDRESS:	1013 Adams Street
OWNER:	Frances T Borton
FIRST INSPECTION 06-10-2010	Number of Violations: Major <u>5</u> Minor <u>6</u> 1) rotten lavatory cabinet (repaired 7-26-2010) 2) no smoke detector (repaired 7-26-2010) 3) cover plates missing in kitchen 4) exit doors need to be operable – repair door knobs/locksets 5) make all windows operable/bathroom window for ventilation
HEARING RESULTS: 06-24-2010	The owner did not appear for the hearing. During the hearing, the following findings of fact were established. There are numerous violations of the Minimum Housing Code. The inspection was in response to complaints from tenant. The tenant moved from the dwelling on 08-06-2010. All utilities have been placed on hold. The ordinance is requested to allow the inspector to vacate, close and placard the dwelling in accordance with State statutes.
ORDER(S) ISSUED: 06-24-2010	Order to Repair with compliance date of 07-26- 2010
APPEALS:	No appeals to date.
OWNER ACTIONS:	The owner had begun making repairs but work ceased and no other repairs have been made. The violations do not require the issuance of any permits.
EXTENSIONS:	None requested by the owner.
CURRENT STATUS: 10-22-2010	Conditions still exist. Dwelling is vacant and secure.



1013 Adams Street

Ordinance to Vacate/Close



Location of subject property

**Department of Planning
and Development**

City of High Point

Date: October 25, 2010



Scale: 1"=200'
y/ba-pz/inspection/vacate



1013 Adams Street



MEMORANDUM

TO: Mayor and Members of City Council

FROM: W. Patrick Pate, Assistant City Manager

SUBJECT: Police Training Facility

DATE: October 27, 2010

The High Point Police Department, Facilities Services Director and Purchasing Department have worked together and recommend the attached lowest responsible bid to complete the final phase of the construction of the Police Training Facility. This project is being funded with 2007 Two-Thirds Bonds and Federal Assets Forfeiture Funds and is in the amount of \$695,500.00.

Attached are copies of the bid recommendation sheet, a detailed information sheet on the facility as well as a drawing and sketch plan of the classroom training facility.

Please let me know if you have any questions or need further information and representatives from the Police Department will be available at the Council meeting.

BID INFORMATION AND RECOMMENDATION**BID #** 08-101310**DATE OPENED:** October 13, 2010**DESCRIPTION:** Police Training Facility**BID PACKAGES DISTRIBUTED:** 33**DEPARTMENT:** Police Department**SOURCE OF FUNDS:** 411310-533701-411001007560-40201
301310-533600-301006310201-55100**BUDGET:** 410,687.
284,813.**RECOMMENDED AWARD**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1 lot	Police Training Facility-Police Department	\$695,500.00	\$695,500.00

PURPOSE: To build a facility to fulfill a vital training function in accordance with associated grant funds. Facility is being constructed using a combination of 2007 G. O. Bonds and Federal Assets Forfeiture Funds.

BID TABULATION

VENDOR NAME	BID AMOUNT
Lomax Construction, Inc.	\$695,500.00
Brooks General Contractors	\$696,420.00
Holden Building Company, Inc.	\$698,500.00
Kearey Builders	\$699,850.00
Bar Construction Company, Inc.	\$717,800.00
J.G. Caram Company, Inc.	\$718,000.00
Van Thomas Contractor, Inc.	\$744,000.00
Fabco Constructors, LLC	\$757,000.00
J.D. Goodrum Company Inc.	\$780,000.00
Central Builders	\$788,000.00
Murray Construction Company of Munroe, Inc.	\$792,850.00
Gleeson Synder Constructors, LLC	\$797,000.00
Hamlett Associates, Inc.	\$923,590.00
Praylor Construction	Bid Withdrawn

The **PURCHASING DEPARTMENT AND POLICE DEPARTMENT** recommends that the contract for **POLICE TRAINING FACILITY** be awarded to **LOMAX CONSTRUCTION, INC.** the lowest responsible and responsive bidder meeting specifications, in the amount of **\$695,500.00**.

DATE OF RECOMMENDATION: October 25, 2010


Strib Boynton, CITY MANAGER

FIREARMS RANGE CLASSROOM PROJECT

Focus on Training

The High Point Police Department prides itself on the level of training which is provided to our officers. We realize that for them to serve the City properly, they need to be well versed in the various important areas of law enforcement. Topics we routinely focus on include such things as legal updates, investigative skills, conflict resolution and public interaction. Firearms skills and force utilization are also one of these specialized topic areas due to the obvious safety concerns and liability implications associated with them.

Needs Assessment

In order to ensure our officers can properly protect themselves and the community during a potentially deadly force encounter and to help mitigate any civil liability issues associated with such incidents, we evaluated our firearms training needs and compared them to our existing capabilities. In doing so, we found we were lacking in several areas. A review of our surrounding law enforcement partners found that they had even fewer resources available than us. With this information, we then went to work with the goal of improving on our existing firearms range in order to provide our officers and the law enforcement officers of our neighboring areas with the best modernized training facility possible. Because of this “regional training facility” concept, the Police Department applied for Federal Funding to help cover the expenses associated with the improvements. Our grant applications were approved and money from them was supplemented with departmental funds which were acquired through the federal seized assets program (mostly seized drug money).

Improvements

With the funding acquired, we then went to work on facility improvements based on what we determined to be our priorities. Over the course of the past few years, we have added a computer controlled turning target system (*used for reactionary targets and to evaluate officer's decision making skills*), a ballistic shoot house (*used to provide an area for live firing of weapons in order to better replicate what officers may encounter during building searches and search warrants*) and a shooting tower (*used to replicate what officers might encounter at a downtown location during a critical incident*). All of these additions have proven to be very beneficial by allowing for a large increase in training opportunities and the development of the related skills associated with them. Since their completion, these facilities have been used regularly by High Point Police Officers as well as individuals from approximately twenty five other agencies to include the Greensboro and Winton-Salem Police Departments, the Guilford and Randolph County Sheriff's Offices, Guilford Technical Community College, the North Carolina Highway Patrol, the FBI, DEA and Department of State, as well as members of the North Carolina National Guard and Army Reserves.

Classroom Facility

With the successful completion of the prior noted projects, one specific area of need still exists. Although the range offers multiple training opportunities, there is currently nowhere on site to hold traditional classes and present the commonly associated training material such as slides, videos and written examinations. Because of this, traditional classes are currently held at other locations throughout the City. The officers are required to drive back and forth from the classroom to the range. This greatly detracts from training time and efficiency.

It is with this need in mind that the High Point Police Department contracted with a local engineering firm in order to develop a needs assessment and the subsequent plans for such a facility. The final plans for this building project are very inclusive. While the building is not necessarily ornate, it has been designed to be very practical and durable and should prove to be more than adequate for fulfilling its purpose now and for the foreseeable future.

Details

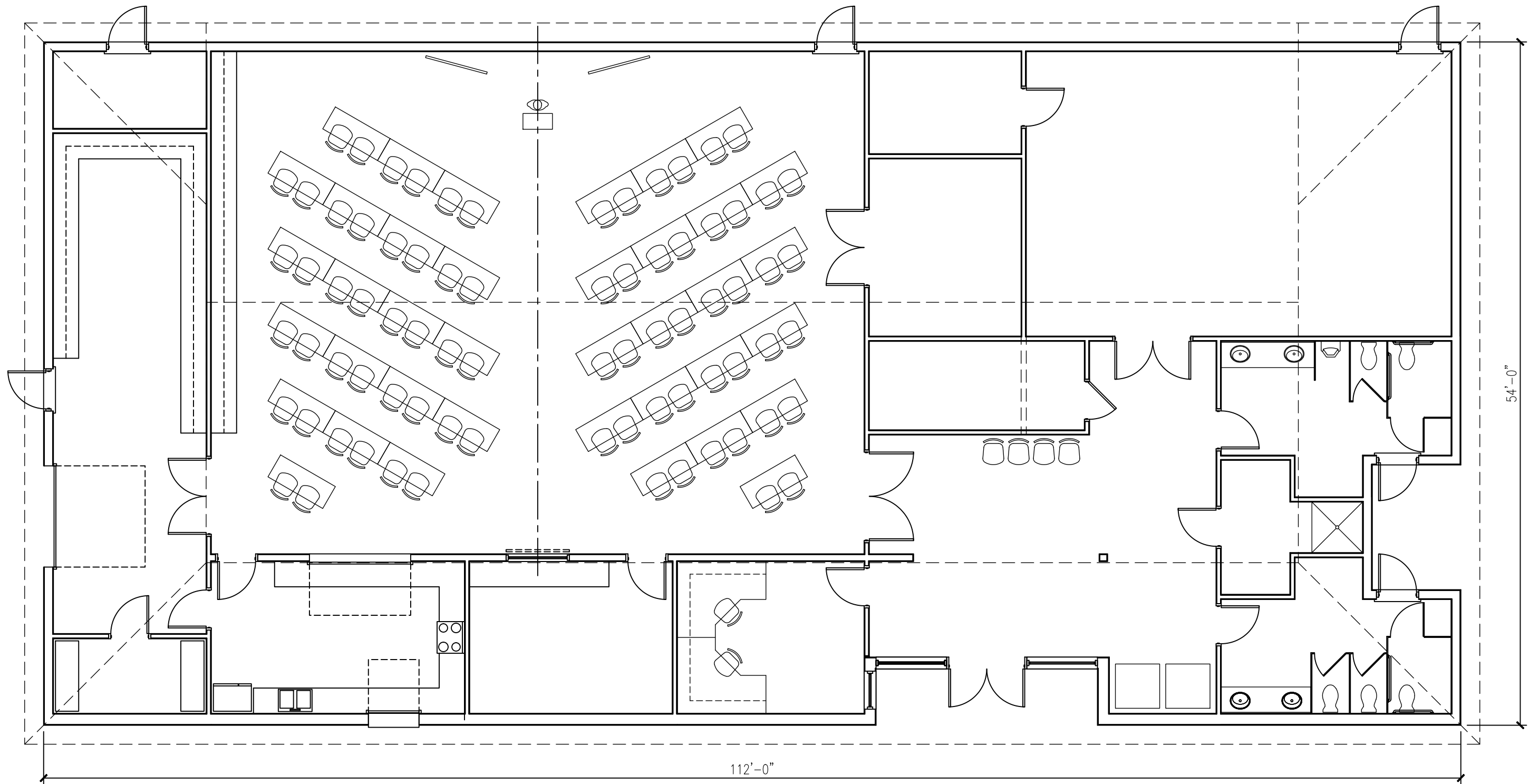
The final building plans address the specific classroom needs by providing a dedicated room capable of seating up to 75 people. It will be wired to accommodate for the routine needs of a classroom setting such as videos and slide show presentations. In addition to the classroom, the building will have a 736 square foot mat room for conducting defensive tactics training safely, an area for weapons cleaning and maintenance, and a warming kitchen to allow for a dedicated area for meal breaks during training days.

Another key feature of the building is the addition of a restroom facility. This facility will replace the two temporary portable toilets that have been used at the range for its entire twenty years of operation. The facility will allow for a place to wash hands after the handling of firearms in order to remove lead residue and cleaning supplies, both of which are potentially health impacting. Our current range does not have a location that allows for someone to wash their hands.

The last area of benefit we look forward to is the addition of a small office area which will be used by the range officer and other trainers. It will provide for an area in which they can work in order to maintain records and data and will be used by them as they help attend to the needs of the many High Point Officers and other visitors that routinely utilize the range facility.

Summary

The addition of this classroom facility will fulfill a currently unmet requirement, needed to ensure that our firing range provides all of the resources necessary to properly and effectively train our officers and make them more proficient in the critical area of firearms and other related topics. We believe it is a critical component worthy of the monetary investment and that its use will be beneficial for several decades to come.



1
A1.0

EXHIBIT "A" FLOOR PLAN

1/8" = 1'-0"



Solar PV Examples

*Example #1**

2-Kilowatt Residential Photovoltaic (PV) System **Annual output = 3,500 KWh**

Costs

Cost of PV system	\$15,000
State tax credit (35%)	- \$5,250
Federal tax credit (30%)	- \$4,500
Federal tax adjustment**	+\$1,470
Net Cost	\$6,720

Annual Revenues

Annual output (avoided cost @ \$0.04/KWh)	\$140
REC (NC GreenPower*** @ \$0.15/KWh)	\$525
Total Payments	\$664

Simple payback = 10.1 years with Fed/State Tax Credits; or 22.5 years without Fed/State Credits

*Example #2**

5.5-Kilowatt Residential Photovoltaic (PV) System **Annual output = 9,600 KWh**

Costs

Cost of PV system	\$44,000
State tax credit (35%)	- \$10,500 (capped)
Federal tax credit (30%)	- \$13,200
Federal tax adjustment**	+\$2,940
Net Cost	\$23,240

Annual Revenues

Annual output (avoided cost @ \$0.04/KWh)	\$384
REC (NC GreenPower*** @ \$0.15/KWh)	\$1,440
Total Payments	\$1,824

Simple payback = 12.7 years with Fed/State Tax Credits; or 24.1 years without Fed/State Credits

* Examples assume a 28% federal tax bracket.

** The state tax credit must be subtracted from a taxpayer's federal deduction of state taxes paid for the purposes of determining federal taxable income.

*** Systems less than 10KW can sell REC to NC Green Power @ \$0.15/KWh. Alternatively, customer can sell REC to NCMPA1 for a current price of \$0.08/KWh.



October 18, 2010

To: Mayor and City Council Members

From: Garey Edwards, Director of Electric Utilities

Subject: Renewable Energy Generation Program

The City of High Point is required to develop renewable energy resources under the provisions in NC Senate Bill 3. We have implemented energy efficiency rebate programs that aid us in our Renewable Energy Portfolio Standards (REPS). We also are required to allow our customers the option to implement renewable energy resources (solar photovoltaic, wind, solar thermal) at their own expense if they desire and choose to do so.

While there has been very little interest shown to date across the state because of the high installation cost and long payback, one or more of our customers may be interested.

Most of the financing is in the form of Federal and State tax credit subsidies totaling 65%. The Federal government provides a 30% tax credit subsidy for renewable energy resources, and the State of North Carolina provides an additional 35% tax credit subsidy. The customer will have his or her choice of an additional per KWh credit from either NC Green Power or Agency 1:

- they can elect to receive the Agency 1 renewable energy generation credit which currently is 8 cents per KWh; or
- they can elect to use NC GreenPower which currently offers a renewable energy generation credit of 15 cents per KWh.

Agency 1 will also pay an avoided cost credit of 4 cents per KWh credit added to either the 15 cents per KWh credit from NC Green Power, or to the 8 cents per KWh credit from Agency 1.

So, on the bottom-line the customer will receive a total credit of 19 cents per KWh (15 cents plus 4 cents) if s/he chooses the renewable energy credit from NC Green Power. If the

City of High Point, P.O. 230, 816 E. Green Dr., High Point, NC 27261 USA
Phone 336.883.3485 Fax: 336.883.3478 TDD 336.883.8517



customer chooses the renewable energy credit from Agency 1, s/he will receive a total credit of 12 cents per KWh (8 cents plus 4 cents).

Assuming a customer will most likely chose the higher credit available from NC Green Power, ElectriCities has prepared the attached illustration for you showing the customer's estimated the costs and payback associated with either a simple 2 kilowatt residential photovoltaic system producing 3,500 KWh, or a larger 5.5 kilowatt residential photovoltaic system producing 9,600 KWh..

With the Federal and State tax credit subsidies, the customer's payback will be about 10.1 years on the smaller 2 kilowatt system, and about 12.7 years on the larger 5.5 kilowatt system. Without the Federal and State tax subsidies, the customer's payback would be about 22.5 years on the smaller system, and about 24.1 years on the larger system.

We believe there may be one or two other residential solar photovoltaic installations in the 51 member communities of ElectriCities. One of our 39,000 customers has expressed interest in installing a large photovoltaic system. In time, there may be more.

This is all about providing for customer choice. As such, we recommend the City approve the following documents developed and prepared for us by ElectriCities:

- Resolution Establishing Standards for Interconnecting Small Generator Systems
- Electric Rate Rider RECR-1
- Power Purchase Agreement – Form 1
- Power Purchase Agreement – Form 2
- Power Purchase Agreement – Form 3

Please let me know Strib or me know if we can provide any further assistance.

Attachments



Serving Public Power Communities Since 1965

TO: Garey Edwards, Director of Electric Utilities
City of High Point

FROM: Matt Schull
Division Director, NCMPA1

DATE: October 14, 2010

SUBJECT: Renewable Energy Generation Program at the retail level

The General Assembly, in Session Law 2007-397 (Senate Bill 3) (Renewable Energy Portfolio Standards ("REPS") legislation), established the requirements of a state-wide mandate that all power suppliers in North Carolina, including the City of High Point, develop renewable energy resources and energy efficiency programs. The City of High Point entered into an agreement with North Carolina Municipal Power Agency 1 ("NCMPA1") and the eighteen other Participants of NCMPA1 to comply with those requirements jointly. NCMPA1 has developed a variety of renewable energy resources and energy efficiency programs to comply with the mandate on a least-cost basis. While the majority of the renewable energy resources are being implemented at the wholesale level, NCMPA1 and the City of High Point recognize the need to facilitate local residential, commercial or industrial consumers who would like to participate in meeting the goals of the NC REPS legislation.

In order to allow local consumers to implement renewable energy resources of their own (solar photovoltaic, wind, solar thermal, etc.), NCMPA1 developed a set of interconnection standards and compensation provisions for its Participants to adopt. The Interconnection Standards are designed to protect the safety and reliability of the City's electric system. They provide the process and electrical requirements that all customers wanting to install renewable energy generation on the City's system have to follow. The compensation provisions provide for a uniform compensation to all such customers for both the energy that their generators produce and the value of the renewable attribute that they bring to meet the City's compliance requirements.

For consideration is a resolution that states the City's intent in adopting the Interconnection Standards, the RECR-1 and the Power Purchase Agreement forms, along with those documents.

The RECR-1 specifies the rate at which customers with renewable energy generation will be compensated by the City for the energy that their generators produce. That rate is consistent with the rate that the City is compensated for by NCMPA1 for the same energy. The renewable attribute can be sold by the customer to NCMPA1, NCGreenPower or another party. The Power Purchase Agreements detail the terms and conditions of the sale of the energy (with or without renewable attribute).

Please contact me at 1-800-768-7697, ext. 6312, if you have any questions.

Attachments

cc: Katherine Horton
Karen Wood
Roy Jones

CITY OF HIGH POINT

Resolution Establishing Standards for Interconnecting Small Generator Systems

(Renewable as well as Non-renewable systems less than 10 MW)

Whereas, the NCUC has adopted a modified version of the FERC small generation interconnection procedures, forms and agreements as a statewide standard designed to streamline the process of connecting small renewable generator resources, and

Whereas, North Carolina Municipal Power Agency Number 1 ("NCMPA1") has recommended to its Participants modified but generally conforming interconnection procedures, forms and agreements as an Agency-wide standard for the same purpose; and

Whereas, these standards offer consumers a voluntary option to install renewable energy generators in accordance with certain policies and procedures as adopted hereafter; and

Whereas, these standards will allow consumers to participate as a generator in the City's initiatives to comply with the North Carolina Renewable Energy Portfolio Standards (through NCMPA1) or as a generator in the NC GreenPower program;

Now, therefore be it Resolved, that the City of High Point does hereby recognize the value of adopting standards for interconnecting small renewable and non-renewable energy generators and does hereby adopt the NCMPA1 Recommended Interconnection Standards.

Further, be it Resolved, that the City of High Point does hereby establish a voluntary Interconnection Agreement, Electric Rate Rider RECR-1 and Power Purchase Agreements for the purpose of enabling its electric customers to choose and participate as a generator in the statewide renewable energy resources initiatives.

Adopted _____.

**City of High Point
Renewable Energy Credit Rider
Electric Rate Rider RECR-1**

AVAILABILITY

This optional rate rider is available to customers on any City of High Point (“City”) rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, without battery storage, located and utilized at the customer’s primary residence or business where a part or all of the electrical requirements of the customer can be supplied from the customer’s generating system. To qualify for this rate rider, the customer must have complied with the City’s Interconnection Standards and have an approved Interconnection Request Form. As part of the Interconnection Request Form approval process, the City retains the right to limit the number and size of renewable energy generating systems installed on the City’s System. The generating system that is in parallel operation with service from the City and located on the customer’s premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City’s applicable renewable energy interconnection interface criteria. Customers with qualified systems may also apply for NCGreenPower credits or North Carolina Municipal Power Agency 1 (“NCMPA1”) Renewable Energy Certificate (“REC”) credits.

The Fixed Long-Term Rates on this Rider are available only to Customers who have executed a Power Purchase Agreement with the City on or before July 1, 2011 for delivery of power beginning on or before the earlier of thirty (30) months from the date of execution of the Power Purchase Agreement

Notwithstanding the above, all qualifying facilities have the option to sell energy to the City on an “as available” basis and receive energy credits only calculated using the Variable Rates identified in this Rider for the delivered energy.

MONTHLY CREDIT

Monthly credits are paid according to the type of renewable generation.

Wind and Biomass Energy Credit (\$ Per kWh):

	<u>Fixed Long-term Rate</u>			
	<u>Variable</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Years</u>
On-peak energy*	\$0.0298	\$0.0344	\$0.0406	\$0.0467
Off-peak energy	\$0.0120	\$0.0114	\$0.0118	\$0.0125

Solar Photovoltaic Energy Credit (\$ Per kWh):

		<u>Fixed Long-term Rate</u>		
	<u>Variable</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Years</u>
All energy*	\$0.0326	\$0.0366	\$0.0416	\$0.0471

* These energy credits include a capacity component.

MONTHLY ENERGY

Monthly Energy shall be the total kWh of energy delivered by the Customer's renewable energy generating system to the City during the current calendar month.

ON-PEAK ENERGY

On-Peak Energy shall be the metered energy during the On-Peak Energy Period of the current calendar month, whereby the On-Peak Energy Period is defined as non-holiday weekdays from 7:00 AM to 11:00 PM EPT.

OFF-PEAK ENERGY

Off-Peak Energy shall be the Monthly Energy less the amount of energy billed as On-Peak Energy.

CONTRACT PERIOD

Prior to receiving service under this Rider, the City and the customer shall have entered either an Interconnection Agreement or executed a Certificate of Completion (inverter-based generators less than 10 kW) and a Power Purchase Agreement which covers the special terms and conditions for the customer's requirements related to the interconnection of the customer's renewable energy generating system.

Each of these agreements shall have a minimum term of one (1) year. Either party may terminate the agreements after one year by giving at least thirty (30) days previous notice of such termination in writing.

GENERAL

Service under this Rider is subject to the provisions of the Electric Service Regulations of the City of High Point.

SPECIAL CONDITIONS

The customer's service shall be metered with two meters, one of which measures all energy provided by the City and used by the customer, and the other measures the amount of energy generated by the customer's renewable energy generator which is provided to the City.

In the event that the City determines that it is necessary to install any additional equipment to protect the safety and adequacy of electric service provided to other customers, the customer shall pay for the cost of such equipment in accordance with the terms of its Power Purchase Agreement.

Effective _____.

POWER PURCHASE AGREEMENT – FORM 1
BETWEEN NORTH CAROLINA MUNICIPAL POWER AGENCY No. 1 AND THE CITY OF HIGH POINT
RELATED TO RENEWABLE ENERGY GENERATING FACILITY

1. The undersigned, City of High Point, hereinafter called "City" or "Seller," hereby requests that North Carolina Municipal Power Agency No. 1, hereinafter called "NCMPA1" or "Buyer", purchase the electricity supplied to City's electric distribution system by the City's renewable energy generation facility located at or near _____, in accordance with the terms hereof, NCMPA1's [identify rate rider applicable to energy] and the [identify Certificate of Completion or Interconnection Agreement], a copy of each being attached hereto and made a part of this Agreement. Seller also hereby requests that NCMPA1 purchase the renewable energy certificate ("REC") associated with the output of such generation system in accordance with NCMPA1's Standard Purchase Offer for RECs or a NCMPA1 REC Purchase Agreement. A copy of the NCMPA1 Standard Purchase Offer or the NCMPA1 REC Purchase Offer, whichever is applicable, is also attached hereto and made a part of this Agreement.
2. Electricity supplied from the city's renewable energy generation facility and sold hereunder shall be in the form of ____ phase, ____ wires, alternating current of 60 cycles and at a sufficient power factor to maintain system operating parameters as specified by City, with a maximum generation capacity of ____ kW and a maximum annual energy production of _____ kWh.
3. The point of interconnection for the acceptance of Seller's electricity supplied hereunder will be _____.
The City agrees to furnish all interconnection facilities, including metering facilities.
4. Upon the acceptance hereof by NCMPA1, evidenced by the signature of its authorized representative in the block provided below, this document, together with attachments hereto, shall constitute an agreement for City to sell and deliver to NCMPA1 and for NCMPA1 to purchase and receive from City the electricity generated and declared by City from its above-described renewable energy generation facility at the rates, in the quantities, for the term, and upon the terms and conditions set forth herein.
5. Amounts due to City for energy and RECs purchased by NCMPA1 in accordance with the terms hereof, NCMPA1's [identify rate rider] and NCMPA1's REC Offer shall be reflected on City's wholesale power billing statement as an offset to the amount due from City to NCMPA1 for the month in which the energy and RECs are purchased and shall be due in accordance with the terms of the wholesale power billing statement.
6. The term of this Agreement is from _____ through _____, or from the date NCMPA1 is first ready to accept electricity from City's renewable energy generation facility, whichever is earlier, and continuing thereafter until terminated by either Party by giving the other Party thirty (30) days written notice.
7. The City hereby certifies that its renewable energy generation facility is "new renewable energy facility," as defined by the Renewable Energy and Energy Efficiency Portfolio Standard legislation (Session Law 2007-397) enacted by the North Carolina General Assembly in 2007 and that it was placed in service after January 1, 2007.

See Paragraphs 8 - 10 attached hereto and constituting a part hereof.

_____, Seller

By _____

Title _____

This ____ day of _____, 20____

ACCEPTED: NCMPA1, Buyer

By _____

Title _____

This ____ day of _____, 20____

8. In accordance with Paragraph 2 of this Agreement, NCMPA1 agrees to purchase electricity supplied by City at the point of interconnection at a nominal voltage of _____volts.

9. City grants to NCMPA1 the right to utilize City's telephone line to transmit data from City's meter.

10. SPECIAL PROVISIONS RELATED TO LIABILITY AND INSURANCE

a. City shall maintain the renewable energy generation facility and interconnection facilities in a safe and prudent manner, conforming with all applicable laws and regulations. City shall reimburse NCMPA1 for any and all losses, damages, claims, penalties or liability NCMPA1 incurs as a result of City's failure to obtain or maintain any governmental authorizations or permits required for construction and operation of City's renewable energy generation facility.

b. City shall meet the standards and rules set forth in subparagraph (a.) of this Section 10 and have appropriate liability insurance. Insurance on the premises where City's renewable energy generation facility is located shall, by endorsement to the policy or policies, provide for thirty (30) days of written notice to NCMPA1 prior to cancellation, termination, alteration, or material change of such insurance.

c. City shall defend, save harmless and indemnify NCMPA1 and its governing board members, officials, employees, and agents against and from any and all losses, liabilities, damages, claims, costs, charges, demands, or expenses, including attorneys' fees, incurred by any of them arising out of or in connection with (1) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection, ownership or operation of City's renewable energy generation facility, and/or (2) the making by City of replacements, additions, betterments to, or reconstruction of, the renewable energy generation facility. However, City shall not be obligated to indemnify NCMPA1 for any loss, liability, damage, claim, cost, charge, demand, or expense resulting from NCMPA1's own negligence or willful misconduct.

POWER PURCHASE AGREEMENT – FORM 2
BETWEEN THE CITY OF HIGH POINT AND _____
THE OWNER OF A RENEWABLE ENERGY GENERATION FACILITY

1. The undersigned, hereinafter called "Seller," hereby requests that City of high Point, hereinafter called "City," purchase the electricity supplied to City's system by Seller's [identify if renewable energy generation facility located at or near _____], in accordance with the terms hereof, City's [identify rate or rider applicable to type of generation] and the [identify Certificate of Completion or Interconnection Agreement], a copy of each being attached hereto and made a part of this Agreement.
2. Electricity supplied from Seller's renewable energy generation facility and sold hereunder shall be in the form of ____ phase, ____ wires, alternating current of 60 cycles and sufficient power factor to maintain system operating parameters as specified by City, with a maximum generation capacity of ____kW and a maximum annual energy production of _____ kWh.
3. The point of interconnection for the acceptance of Seller's electricity supplied hereunder will be _____. City shall install the interconnection facilities described below at the point of interconnection of Seller's and City's conductors and upon the completion of such installation, Seller shall be responsible for the payment to City of any and all charges associated with the installation of such interconnection facilities, whether or not Seller actually delivers any electricity from its renewable energy generation facility to City in accordance with the provisions of Paragraph No. 9a.

The City agrees to furnish the following interconnection facilities: metering facilities.

4. Upon the acceptance hereof by the City, evidenced by the signature of its authorized representative in the block provided below, this document, together with attachments hereto, shall constitute an agreement for Seller to sell and deliver to City and for City to purchase and receive from Seller the electricity generated and declared by Seller from its renewable energy generation facility at the rates, in the quantities, for the term, and upon the terms and conditions set forth herein.
5. Payment for energy purchased and received by City hereunder, or payment by Seller, if any, as set forth in the [identify rate or rider applicable to type of generation] shall be due _____.
6. The term of this Agreement is from _____ through _____, or from the date City is first ready to accept electricity from Seller's renewable energy generation facility, whichever is earlier, and continuing thereafter until terminated by either Party by giving the other Party thirty (30) days written notice.
7. The Seller hereby certifies that its renewable energy generation facility is "new renewable energy facility," as defined by the Renewable energy and Energy Efficiency Portfolio Standard legislation (Session Law 2007-397) enacted by the North Carolina General Assembly in 2007, and that it was placed in service after January 1, 2007.
8. If Buyer and Seller are each required to pay any amounts to each other in the same month, whether pursuant to this Agreement or otherwise, such amounts may be aggregated and the Parties may discharge their respective obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party the difference between the amounts owed. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such Party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Agreement and/or and other agreement(s) may be offset against each other, set off or recouped therefrom.

See Paragraphs No. 9 - 14 attached hereto and constituting a part hereof.

Witness as to Seller:

_____, Seller

By _____

Title _____

This _____ day of _____, 20_____

ACCEPTED: City of _____, Buyer

Mail Payment/Bill to:

By _____

Title _____

This _____ day of _____, 20_____

9. **SPECIAL PROVISIONS PERTAINING TO CITY-OWNED FACILITIES REQUIRED FOR THE PURCHASE OF ELECTRICITY FROM SELLER.**

- a. At Seller's request, City has installed the interconnection facilities listed in Paragraph No. 3 above. The estimated original installed cost of the interconnection facilities required to accept interconnection is \$(to be determined). In consideration of City providing the interconnection facilities described in Paragraph No. 3 above, Seller will pay [choose one: a one-time charge of \$____/a Monthly Facilities Charge of \$(to be determined)].
- b. The provisions for providing the interconnection facilities described herein and the related Monthly Facilities Charge, if applicable, have been approved by the City.
- c. In case of increases, decreases, or other changes required in connection with the interconnection facilities necessary to supply Seller's special electrical needs under this Agreement, except the replacement of existing equipment with equipment of equal capacity and kind, the revised interconnection facilities investment shall be computed by adding to City's investment in existing facilities, the installed costs of new interconnection facilities and the costs of removing any unused facilities, and subtracting there from the salvage value of the facilities being removed. Additional charges in connection with the foregoing will be paid in accordance with the provisions of Paragraph No. 9a above.
- d. In the event Seller's special electrical needs for interconnection facilities should be discontinued or terminated in whole or in part, no termination charge will be applicable.
- e. City reserves the right to make changes, including voltage conversions, in its electrical system used to supply service to Seller. Should City make any changes in its electrical system which necessitate a change in City's investment in additional interconnection facilities, Seller may elect to terminate the interconnection facilities in accordance with the termination provision of Paragraph 9.d. above for such facilities or to continue with the additional interconnection facilities. Should the Seller elect to continue with the additional interconnection facilities, an additional charge will be assessed on the next monthly bill or the Monthly Facilities Charge will be recomputed as in Paragraphs No. 9a & 9c to reflect the change in City's interconnection facilities investment due to the change in its electrical system.

11. In accordance with Paragraph No. 2 of this Agreement, City agrees to purchase electricity supplied by Seller at the point of interconnection at a nominal voltage of _____volts.

12. Seller grants City the right to utilize Seller's telephone line to transmit data from City's meter.

13. **SPECIAL PROVISIONS RELATED TO LIABILITY AND INSURANCE**

- a. Seller shall maintain the renewable energy generation facility and interconnection facilities in a safe and prudent manner, conforming with all applicable laws and regulations. Seller shall reimburse City for any and all losses, damages, claims, penalties or liability City incurs as a result of Seller's failure to obtain or maintain any governmental authorizations or permits required for construction and operation of Seller's renewable energy generation facility.
- b. City may enter Seller's premises: (1) to inspect, at reasonable hours, Seller's protective devices and read or test meters; and (2) to disconnect, without notice, the interconnection facilities, if, in City's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or City's facilities, or property of others from damage or interference caused by Seller's facilities, or lack of properly operating protective devices.
- c. Seller shall defend, save harmless and indemnify City and its directors, officers, employees, and agents against and from any and all losses, liabilities, damages, claims, costs, charges, demands, or expenses, including attorneys' fees, for injury or death to persons, including employees of City, and damage to property, including property of City, arising out of or in connection with (1) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of Seller's generation system, and/or (2) the making of replacements, additions, betterments to, or reconstruction of City facilities. However, Seller shall not be obligated to indemnify City for any loss, liability, damage, claim, cost, charge, demand, or expense resulting, from City's own sole negligence or willful misconduct.
- d. The provisions of subparagraph (b.) and (c.) shall not be construed to relieve any insurer of its obligations to pay any claims in accordance with the provision of any valid insurance policy.

- e. If Seller at any time fails to comply with the insurance provisions of this Agreement, Seller shall, at its own cost, defend, save harmless and indemnify City, its directors, officers, employees, agents, assignees, and successors in interest from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including attorney's fees and other costs of litigation) resulting from the death or injury to any person or damage to any property, including the personnel and property of City, to the extent that City would have been protected had Seller complied with all such insurance provisions. The inclusion of this subparagraph (e.) is not intended to create any express or implied right in Seller to elect not to provide any such required insurance.
- f. To the extent that Seller has currently in force comprehensive personal and/or general liability insurance in a minimum amount of \$_____ per occurrence, Seller agrees that it will retain such insurance in force for the duration of this Agreement in no less amounts than those currently in effect. If Seller has no such insurance in effect, prior to operating its renewable energy generation facility, Seller shall obtain and retain such comprehensive personal and/or general liability insurance in a minimum amount of \$_____ per occurrence that protects it from claims for personal injury, bodily injury and property damage. Prior to interconnection of Seller's generation system with City's system, Seller shall furnish a properly executed certificate of insurance to City clearly evidencing the required coverage and any exclusions applicable to such coverage. The certificate shall provide that the insurance coverage shall not be canceled or modified unless and until City receives at least thirty (30) days prior written notice. City has the right to refuse to establish or continue the interconnection of Seller's generation system to City's system if such insurance is not in effect.
- g. Seller shall meet the standards and rules set forth in subparagraph (a.) and have the appropriate liability insurance required in subparagraph (f.). Insurance on the premises where the Customer's generation system is located shall, by endorsement to the policy or policies, provide for thirty (30) days of written notice to City prior to cancellation, termination, alteration, or material change of such insurance.

POWER PURCHASE AGREEMENT – FORM 3
BETWEEN NORTH CAROLINA MUNICIPAL POWER AGENCY No. 1, THE CITY OF HIGH POINT AND
THE OWNER OF RENEWABLE ENERGY GENERATION

1. The undersigned owner of renewable energy generation ("Seller"), hereby requests that City of High Point ("City"): (i) facilitate the interconnection of Seller's renewable energy generation system, located at or near _____, with the distribution system of the City by installing the interconnection facilities described in Paragraph 3, below; (ii) purchase from Seller the electricity supplied to City's system by such generation system; and, (iii) that North Carolina Municipal Power Agency No. 1 ("NCMPA1") purchase from the City the electricity supplied to City's system by such generation system, all in accordance with the terms hereof, City's applicable rate or rider, NCMPA1's applicable rate or rider, and the [identify Certificate of Completion or Interconnection Agreement], a copy of each being is attach hereto and made a part of this Agreement. Seller also hereby requests that NCMPA1 purchase the renewable energy certificate ("REC") associated with the output of such generation system in accordance with NCMPA1's Standard Purchase Offer for RECs or a NCMPA1 REC Purchase Agreement. A copy of the NCMPA1 Standard Purchase Offer for RECs or the REC Purchase Agreement, whichever is applicable, is also attached hereto and made a part of this Agreement.
2. Upon completion of the installation by City of its interconnection facilities at the point of interconnection of Seller's and City's conductors, Seller shall become responsible for and remit payment to City for any and all charges related to such installation in accordance with paragraph 9a., whether or not Seller actually delivers any electricity to City.
3. The point of interconnection for the acceptance of Seller's electricity supplied hereunder will be at _____ located _____.

The City agrees to furnish the following interconnection facilities: metering facilities. Electricity supplied by Seller hereunder shall be in the form of ____ phase, ____ wires, alternating current of 60 cycles and at a sufficient power factor to maintain system operating parameters as specified by City, with a maximum generation capacity of ____kW and a maximum annual energy production of _____ kWh.

4. Upon the acceptance hereof by the City and NCMPA1, evidenced by the signatures of their authorized representatives in the blocks provided below, this document, together with attachments hereto, shall constitute an agreement (i) for Seller to sell and deliver to City the electricity generated and declared by Seller from its above-described generating facility, (ii) for City to purchase and receive from Seller such electricity, and (iii) NCMPA1 to purchase from City such electricity at the rates, in the quantities, for the term, and upon the terms and conditions set forth herein.
5. Payment for energy and/or capacity received by City, or payment by Seller, if any, as set forth in the rate schedule shall be due _____. Payment for the renewable energy certificate by NCMPA1 shall be due _____.
6. The term of this Agreement is from _____ through _____, or from the date City is first ready to accept electricity from Seller, whichever is earlier, and continuing thereafter until terminated by any Party by giving the other Parties thirty (30) days written notice.
7. The Seller hereby certifies that its renewable energy generation facility is a "new renewable energy facility," as defined by the Renewable Energy and Energy Efficiency Portfolio Standard legislation (Session Law 2007-397) enacted by the North Carolina General Assembly in 2007, and that it was placed in service after January 1, 2007.
8. If City and Seller are each required to pay any amounts to each other in the same month, whether pursuant to this Agreement or otherwise, such amounts may be aggregated and each Party may discharge its obligation to pay to the other party through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party the difference between the amounts respectively owed. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such Party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Agreement and/or other agreement(s) may be offset against each other, set off or recouped therefrom.

See Paragraphs 9 - 14 attached hereto and constituting a part hereof.

_____, Seller

By _____

Title _____

This ____ day of _____, 20____

_____, City

By _____

Title _____

This ____ day of _____, 20____

ACCEPTED: _____, NCMPA1

Mail Payment/Bill to: _____

By _____

Title _____

This _____ day of _____, 20_____

9. SPECIAL PROVISIONS PERTAINING TO CITY-OWNED FACILITIES REQUIRED FOR THE PURCHASE OF ELECTRICITY FROM SELLER.

- a. At Seller's request, City has installed the interconnection facilities listed in Paragraph No. 3 above. The estimated original installed cost of the interconnection facilities, including the metering facilities, required to accept interconnection is \$(to be determined). In consideration for City providing the interconnection facilities described above, Seller will pay to City [choose one: a one-time payment of \$_____ or a Monthly Facilities Charge of \$(to be determined))].
 - b. In case of increases, decreases, or other changes required in the interconnection facilities, except the replacement of existing equipment with equipment of equal capacity and kind, an additional charge shall be assessed or a revised Monthly Facilities Charge shall be computed by adding to City's investment in existing facilities the installed costs of new interconnection facilities and the costs of removing any unused facilities, and subtracting therefrom the salvage value of the facilities being removed.
 - c. In the event Seller's use of the interconnection facilities should be discontinued or terminated in whole or in part, there would be no termination charges applicable.
 - d. City reserves the right to make changes, including voltage conversions, in its electrical system used to supply service to Seller. Should City make any changes in its electrical system which necessitate a change in City's investment in additional interconnection facilities, Seller may elect to terminate its use of the interconnection facilities in accordance with the termination provision of Paragraph 9.c. above for such facilities or to continue to use the interconnection facilities with the addition of the additional interconnection facilities. Should the Seller elect to continue using the interconnection facilities, an additional charge shall be assessed or a revised Monthly Facilities Charge shall be computed as set forth in Paragraphs 9.a.&b. above to reflect the change in City's interconnection facilities investment due to the change in its electrical system.
10. City agrees to purchase electricity supplied by Seller's generation facility in accordance with Paragraph 1 of this Agreement under [identify rate or rider] for the term of this Agreement.
11. In accordance with Paragraph 2 of this Agreement, City agrees to purchase electricity supplied by Seller at the point of interconnection at a nominal voltage of _____ volts.
12. Seller grants City the right to utilize Seller's telephone line to transmit data from City's meter.

13. SPECIAL PROVISIONS RELATED TO LIABILITY AND INSURANCE

- a. Seller shall maintain the facility and interconnection facilities in a safe and prudent manner, conforming with all applicable laws and regulations. Seller shall reimburse City for any and all losses, damages, claims, penalties or liabilities City incurs as a result of Seller's failure to obtain or maintain any governmental authorizations or permits required for construction and operation of Seller's facility.
- b. City may enter Seller's premises: (1) to inspect, at reasonable hours, Seller's protective devices and read or test meters; and (2) to disconnect, without notice, the interconnection facilities, if, in City's opinion, a hazardous condition exists and immediate action is necessary to protect persons, City's facilities, or property of others from damage or interference caused by Seller's facilities, or lack of properly operating protective devices.
- c. Seller shall defend, save harmless and indemnify City and its governing board members, , officials, employees, and agents against and from any and all losses, liabilities, damages, claims, costs, charges, demands, or expenses, including attorneys' fees, incurred by any of them arising out of or in connection with (1) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection, ownership or operation of Seller's generation facilities, and/or (2) the making by Seller of replacements, additions, betterments to, or reconstruction of City facilities. However, Seller shall not be obligated to indemnify City or another indemnified party for any loss, liability, damage, claim, cost, charge, demand, or expense resulting from City's or other indemnifies party's own negligence or willful misconduct.
- d. The provisions of subparagraph (b.) and (c.) shall not be construed to relieve any insurer of its obligations to pay any claims in accordance with the provision of any valid insurance policy.
- e. If Seller at any time fails to comply with the insurance provisions of this Agreement, Seller shall, at its own cost, defend, save harmless and indemnify City, its governing board members, officials, employees, agents, assignees, and successors in interest from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including attorney's fees and other costs of litigation) incurred by any of them to the extent that City or another indemnified party would have been protected had Seller complied with all such insurance provisions. The inclusion of this subparagraph (e.) is not intended to create any express or implied right in Seller to elect not to provide any such required insurance.
- f. To the extent that Seller has currently in force comprehensive personal and/or general liability insurance in a minimum amount of \$_____ per occurrence, Seller agrees that it will retain such insurance in force for the duration of this Agreement in no less amounts than those currently in effect. If Seller has no such insurance in effect, prior to operating its generation facility, Seller shall obtain and retain such comprehensive personal and/or general liability insurance in a minimum amount of \$_____ per occurrence that protects it from claims for personal injury, bodily injury and property damage. Prior to interconnection of Seller's generation system with City's system, Seller shall furnish a properly executed certificate of insurance to City clearly evidencing the required coverage and any exclusions applicable to such coverage. The certificate shall provide that the insurance coverage shall not be canceled or modified unless and until City receives at least thirty (30)

days prior written notice. City has the right to refuse to establish or continue the interconnection of Seller's generation system to City's system if such insurance is not in effect.

- g. Seller shall meet the standards and rules set forth in subparagraph (a.) and have the appropriate liability insurance required in subparagraph (f.). Insurance on the premises where the Customer's generation system is located shall, by endorsement to the policy or policies, provide for thirty (30) days of written notice to City prior to cancellation, termination, alteration, or material change of such insurance.