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REGULATIONS FOR INTERCONNECTING GENERATORS WITH THE ELECTRICAL DISTRIBUTION SYSTEM OF THE ELECTRIC POWER AUTHORITY AND PARTICIPATE IN NET METERING PROGRAMS

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Commonwealth of Puerto Rico
Puerto Rico Electric Power Authority

REGULATIONS FOR INTERCONNECTING GENERATORS WITH THE ELECTRIC DISTRIBUTION SYSTEM OF THE ELECTRIC POWER AUTHORITY AND PARTICIPATING IN NET METERING PROGRAMS

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SECTION I: INTRODUCTION

Article A: Purpose

These Regulations establish the requirements and process for the installation and operation of distributed generation (DG) systems to be interconnected with the Puerto Rico Electric Power Authority's (Authority) electric distribution system, in accordance with the *Small Generator Interconnection Procedures* (SGIP) and the *Small Generator Interconnection Agreement* (SGIA), established by the *Federal Energy Regulatory Commission* (FERC). The purpose of the project is to promote the efficient use of energy and the development of alternative renewable energy sources, ensuring the reliability of the electrical system and the safety of the Authority's employees, customers and equipment. In addition, it meets the criteria of operation and quality of service, as well as the quality of the environment.

The provisions of this Regulation apply to any DG with a maximum installed alternating current (AC) power capacity of 1 MW or less that interconnects with the Authority's electrical distribution system. In addition, they apply to both customers who are interested in participating in the Net Metering Programs and those who are not interested in participating in them.

Law 114-2007, as amended, known as the Net Metering Law, establishes that projects that are interconnected with the electricity distribution network and are interested in participating in the Net Metering Program, as defined therein, must have a maximum installed AC power capacity of 25 kW for residential customers and 1 MW for commercial customers. governmental, industrial, agricultural, educational institutions and hospital medical facilities. In this Regulation, this program is defined as the Basic Net Metering Program.

Amended Order CEPR-MI-2014-0001 of the Puerto Rico Energy Commission (Commission) provides that the Authority must establish programs for Aggregate or Virtual Net Metering and for Shared *Renewable Energy Program*. In these Regulations, these programs are defined as the Aggregate Net Metering Program and the Shared Net Metering Program, respectively.

Article B: Legal Basis

The Authority promulgates these Regulations pursuant to amendments to Section 111 of the *Public Utility Regulatory Policies Act* (PURPA), as approved in Subtitle E, *Amendments to PURPA*, of the *Energy Policy Act of 2005* (EPAct 2005) and the following laws, as amended:

- Act No. 83 of May 2, 1941, Puerto Rico Electric Power Authority Act
- Law No. 7 of July 19, 1985, known as the Law on the Certification of Construction Plans
- Act No. 170 of August 12, 1988, Uniform Administrative Procedure Act of the Commonwealth of Puerto Rico
- Law 114 - 2007, to order and authorize the Authority to establish a *Net Metering* Program
- Act 161 - 2009, Puerto Rico Permitting Process Reform Act
- Law 82 - 2010, Law on Public Policy for Energy Diversification through Sustainable and Alternative Renewable Energy in Puerto Rico
- Act 83 - 2010, Puerto Rico Green Energy Incentives Act
- Act 57 - 2014, Puerto Rico Energy Transformation and RELIEF Act
- Amended Order CEPR-MI-2014-0001 of the Puerto Rico Energy Commission of March 20, 2015
- Law 4 - 2016, Electric Power Authority Revitalization Act
- Law 133 - 2016, to amend laws 82-2010, 114-2007 and 57-2014 and other purposes

Article C: Applicability

1. This Regulation applies to DG installations with the following characteristics:
    a. Be installed in the same locality, buildings or structures, as established in the *National Electrical Code* (NEC) in force, of natural or legal persons, public or private and any group of them, which are interconnected after the customer's meter with the Authority's electrical distribution system, whose nominal voltage is 13.2 kV or less.
    b. Any DG with a maximum installed AC power capacity of 1 MW or less, which is interconnected with the Authority's electrical distribution system.
2. Applies to those projects that are interested in participating in the Basic, Aggregate and Shared Net Metering Programs that comply with the following:
    a. Be based on renewable sources of sustainable or alternative energy.
    b. Its operation is compatible with the existing electricity distribution facilities in the Authority. All GDs operating interconnected
    With the electrical distribution system, it has to comply with the regulations, codes and standards in force.

c. To be used to primarily compensate, in whole or in part, the customer's demand for electricity.

d. The installation incorporates emission and noise control and mitigation measures, as applicable. Your operation must comply with the environmental, zoning, and use laws and regulations in effect for the location of your location.

3. The Basic Net Metering Program applies to residential, commercial, governmental, industrial, agricultural, educational institutions and medical-hospital facilities, in accordance with the provisions of Law 114-2007, *supra*, as amended.

4. The Aggregate Net Metering Program applies exclusively to government entities and non-profit university institutions, with distribution, subtransmission or transmission voltage service, that meet the requirements of Section VII, Article B, of these Regulations.

5. The Shared Net Metering Program applies exclusively to residential and commercial customers, with primary or secondary distribution voltage service, who are under the horizontal property regime, such as residential, commercial or mixed-use condominiums. This program also applies to public housing managed by the Department of Housing. In addition, they must comply with the requirements of Section VII, Article C, of these Regulations.

6. This Regulation does not apply to DGs with a maximum installed capacity of AC power greater than 1 MW, since DGs with such capacities have to interconnect with the Authority's electrical transmission or sub-transmission system, at nominal voltages of 115 kV and 38 kV, respectively.

7. These Regulations do not apply to the installation or operation of DGs to be interconnected with the transmission or subtransmission system, or to operate in isolation from the Authority's electrical distribution system. It also does not apply to the purchase or distribution of energy from the customer. These and other services that the client requires are established under other contracts or agreements, as applicable.

8. This Regulation does not apply to solar communities and microgrids, as defined in Law 133-2016, *supra,* which will be governed by the regulations established for this type of project in accordance with the provisions of this Law.

Article D: Terms Used

The word used in the singular includes the plural and vice versa. In addition, the masculine gender includes the feminine and vice versa.

SECTION II: DEFINITIONS

A. **Agreement** - Document that establishes the rights and responsibilities between the Authority and the customer to authorize the interconnection of the DG with the

Authority's electricity distribution system and participation in the Net Metering Programs, as applicable. This Agreement includes Schedules added and incorporated by specific reference.

B. **Anti-islanding** - Control scheme installed as part of the generation or interconnection equipment, which detects and prevents the formation of an unintentional electric island.

C. **Architect** - Natural person authorized by the Examining Board of Architects and Landscape Architects of Puerto Rico to practice the profession of architecture in the Commonwealth of Puerto Rico; with a valid professional license and an active member of the College of Architects and Landscape Architects of Puerto Rico.

D. **Puerto Rico Electric Power Authority** - A public corporation and governmental entity created by Act No. 83, *supra*, as amended, for the purpose of providing electric power service to customers in the most efficient, economical, and reliable manner possible, without harming the environment.

E. **Capacity** - Rated electrical power, usually measured in megawatts (MW), megavolt-amperes (MVA), kilowatts (kW), or kilovolt-amperes (kVA).

F. **Aggregate Capacity** - Sum of the nominal capacities of all DGs connected to the same feeder or transformer, as the case may be.

G. **Letter of Endorsement** - Communication in digital file in PDF format sent by the Authority to customers submitting applications for DG projects with a capacity of 10 kW or less, stating the requirements for interconnecting the DG with the Authority's electric system and notifying the project endorsement.

H. **Evaluation Letter** - Communication in digital file in PDF format sent by the Authority to the client or to the Permit Management Office (OGPe), as applicable, indicating the requirements for the client to be able to interconnect the GD and receive the endorsement of the design plans of the proposed project.

I. **Client** - Any natural or legal person who requests, contracts and obtains electric energy service, which continues to be supplied, as long as he does not formalize a request for cancellation of the service and provide access for the disconnection of the same. For the purposes of this Regulation, it is the holder of the account with the Authority that complies with all the provisions thereof and interconnects its DG with the electricity distribution system. In addition, the latter may appoint a representative for the processing with the Authority of the technical aspects under

these Regulations, but he will always be the one who will contract with the Authority and will be responsible to it.

J. **Unsafe Conditions of Operation** - Conditions that if not corrected or modified may cause damage to life or equipment, loss of the integrity of the electrical distribution system or operation of the equipment outside the parameters required in these Regulations.

K. **Net Consumption** - Result of subtracting from the energy consumed by the customer the energy exported by the customer to the Authority's system and any energy export credits, if any. It applies when the energy consumed by the customer is greater than that exported by the customer and any applicable energy export credit.

where:

Net = net consumption

kWhcon = kilowatt-hours consumed *kWhexp*

= kilowatt-hours exported

CRexp = credit for the export of accumulated energy

L. **Contractor** - Natural or legal person that executes and certifies electrical construction works. The latter may be hired by the client to carry out the construction work, although such contracting does not relieve the client of liability to the Authority.

M. **Contract for the Supply of Electric Energy** - Agreement between the Authority and the customer that contains the terms and conditions for providing the electric energy service and billing it.

N. **Energy Export Credit** - A kilowatt-hour (kWh) credit for excess energy export resulting in a billing period.
This credit is applied to the next billing period.

O. **Peak Demand** - The maximum value of the electrical demand of an electrical circuit or system, during a defined time interval, typically measured in MW, MVA, kW, or kVA.

P. **Protection and Control Diagrams** - Drawings illustrating relay wiring, protection functions, input and output contacts, and other protection and control devices with their connections. The drawings have to show all the details related to your operation.

Q. **Designer** - Licensed and chartered engineer who prepares or prepares electrical construction plans.

R. **Electrical Disturbance** - Event that causes a deviation from values current, voltage, or frequency ratings.

S. **Emergency** - A sudden or unexpected incident that requires immediate action to prevent or mitigate loss of or damage to life, health, property, or essential public services or the continuity thereof.

T. **Government Entity** - State or federal agencies, corporations public offices, municipal governments, dependencies of the judicial and legislative branches and any other instrumentality of the Commonwealth of Puerto Rico Rich.

U. **Metering Equipment** - Equipment and programming needed to measure power and electrical energy, including bidirectional metering, *metering accuracy class* voltage and current transformers, meter base, and metering cabinet, among others.

V. **IEEE 1453 Standard** - Standard developed by the *Institute of Electrical and Electronic Engineers* (IEEE) on best practices for measuring and limiting voltage fluctuations associated with visual flicker or *light flicker* in AC power systems.

W. **IEEE 1547 Standard** - IEEE Standards Series on interconnection of generators with electrical systems.

X. **IEEE 519 Standard** - Standard developed by the IEEE on recommended practices and requirements for harmonic control in electrical power systems.

Y. **UL 1741 Standard** - Testing Standard Developed by *Underwriters Laboratories* (UL) to evaluate and certify inverter equipment, converters, controllers, and interconnection system equipment used in generators. The standard combines safety and interconnection requirements, according to the IEEE 1547 standard.

Z. **Study** - Analysis carried out by the Authority to identify and describe the impact on the reliability and safety of the electricity generation, transmission, subtransmission and distribution system due to the interconnection of a DG.

AA. **Net Export** - The amount resulting when the energy exported by the customer to the Authority's system and any previously accrued energy export credits, if any, are subtracted from the energy consumed by the customer. It applies when the energy consumed by the customer is less than that exported by the customer and any applicable energy export credit.

where:

Eneta = net export

kWhexp = kilowatt-hours exported

CRexp = cumulative energy export credit

kWhcon = kilowatt-hours consumed

BB. **Renewable Energy Sources** - Sources that are continuously renewed,
These include, but are not limited to: solar, wind and geothermal; combustion of renewable biomass and gas and biofuels derived from renewable biomass; qualified hydroelectric; hydrokinetic and marine renewable; thermal ocean; conversion of municipal solid waste; combustion of gas derived from a landfill system; anaerobic digestion; and fuel cells (*fuel cells*)). It includes alternative and sustainable renewable energy, as those terms are defined in Act 82, *supra,* as amended.

CC. **Generator** - A machine or equipment that converts mechanical, chemical, or solar energy to electrical energy.

DD. **Engineer** - Natural person authorized by the Examining Board of Engineers and Land Surveyors of Puerto Rico to practice the profession of engineering in the Commonwealth of Puerto Rico; with a valid professional license and an active member of the College of Engineers and Land Surveyors of Puerto Rico.

EE. **Private Inspector** - A licensed and registered engineer or architect to whom the owner of a work entrusts its inspection. Neither the contractor of the work, nor its owners or employees may act as inspectors of the work they build, except in the case of any government agency that constructs works by administration. For this exception, it must have a certification from the OGPe that its construction and construction inspection units are organized to operate totally independently of each other and that due protection of the public interest is ensured.

FF. **Installer** - Licensed and chartered electrical engineer or licensed and chartered electrical expert, with current certification as a Certified Installer of Renewable

Electric Systems, as regulated by the governmental entity designated by the Commonwealth of Puerto Rico.

GG. **Interconnection Switch** - A disconnect device that will isolate the DG from the Authority's electrical distribution system upon the occurrence of any electrical disturbance.

HH. **Manual Switch** - A manually operated device to disconnect the customer's DG from the Authority's electrical distribution system, without interrupting the Authority's electrical service to the customer.

II. **Inverter** - Equipment or system with power electronics technology that changes power from direct current to alternating current and vice versa, as applicable.

JJ. **Electric Island (*Islanding*)** - A condition in the Authority's electric distribution system where one or more DGs energize an electrically isolated area from the rest of the system.

KK. **Kilowatt-Hour (kWh)** - Unit of work or energy equivalent to energy produced or consumed by a power of one kilowatt for one hour.

LL. **Nationally Recognized Testing Laboratory** - An accredited laboratory that, among its functions, performs certification tests required by applicable IEEE and *American National Standards Institute* (ANSI) standards.

MM. **Locality** – In these Regulations it refers to the location or physical location registered in the Land Registry where a GD is developed or proposed to be developed.

NN. **Meter** - Instrument whose function is to measure and record the bidirectional flow (in two directions) of electricity, i.e., the energy delivered and received in kWh by the customer with a DG interconnected with the Authority's electrical system.

OO. **Parallel Operation** - Simultaneous operation of the DG with the electrical distribution that could transfer power between the customer's electric systems and the Authority, while interconnected.

PP. ***Voltage Flicker*** - Voltage fluctuation or instability in the electrical distribution system that can cause changes in lighting levels and damage to equipment, which adversely affect the quality of electric power service to customers.

QQ. **Plans** - Detailed and accurate drawings, made at a convenient scale, that graphically represent the proposed interconnection of the GD with the Authority and that require the signature of the designer who prepared or prepared them. These drawings include plans of electrical installations, location and location.

RR. **Electrical Installation Plans** - Drawings illustrating the existing electrical system in the construction site area and the electrical system proposed to serve the new project. These drawings use the site or plot described in the location plans as a geographical reference frame.

SS. **Site Plan** - Drawings that represent the site of the construction site with respect to the cardinal points. These drawings present the land, buildings or structures adjacent to the site, as well as the streets, roads or vehicular accesses to it.

TT. ***Location Plan*** - Drawings depicting the location of the construction project on a United *States Geological Survey* (USGS) topographic map with Lambert coordinates and a scale of 1:20000.

UU. **Web portal** - A Web site created to process the electronic filing of all documents required by these Regulations and to monitor the process of evaluation, endorsement and approval of GD interconnection. This site also provides the option for the customer to electronically sign the agreements required in these Regulations.

VV. **Aggregate Net Metering Program** - Extension of the Basic Net Metering Program, created to comply with Amended Order CEPR-MI-2014-0001 of the Puerto Rico Energy Commission.

This allows a participant to credit the excess energy produced by a DG based on renewable energy sources between service agreements under the same name, located in the same locality as the DG or in different localities, provided that it complies with the conditions set out in Section VII, Article B, of these Regulations.

WW. **Basic Net Metering Program** - Service provided to customers with DG who use renewable energy sources, interconnected with the Authority's electric system, as established by Law 114, *supra*, as amended. This service allows for the flow of energy to and from the customer's premises through the billing meter. This system supplies part or all of the electricity consumption in the locality where the system is located. At the end of the billing period, the Authority will charge the customer's net consumption or credit the excess energy exported to the Authority's electric system on their next bill.

XX. **Net Shared Metering Program (*Shared Net Metering Program*)** - Extension of the Basic Net Metering Program, created to comply with Amended Order CEPR-MI-2014-0001 of the Puerto Rico Energy Commission. This permits the use of energy produced by a single DG based on renewable energy sources among multiple participants whose properties are located in the same locality as the DG, provided that it complies with the conditions set forth in Section VII, Article C, of these Regulations.

YY. **Project** - Work to be carried out in accordance with construction plans certified under the provisions of the regulations of the OGPe, Planning Board and the Authority.

ZZ. **Acceptance Testing** - On-site testing of electrical equipment before it enters service to ensure that it operates to its design or specification.

AAA. **Periodic Testing** - Tests performed by the customer on the GD and associated equipment at a predetermined time interval, based on the manufacturer's codes, applicable standards, and specifications.

BBB. **Delivery Point** - This is the place where the customer's private system is connected to the Authority's system. This point varies depending on the type of customer.

CCC. **Interconnection Point** - This is the place where the GD connects to the customer's private system. This interconnection point varies according to the topology of the customer's electrical system.

DDD. **Reclosing Automatic (*Recloser*)** - Device of Protection what

It automatically interrupts and recloses the distribution circuit following an electrical disturbance, with a predetermined sequence of interruptions and reclosures.

EEE. **Protection Relay (Relay)** - Device that detects conditions

abnormal due to an electrical disturbance in the circuit, which automatically protects and initiates appropriate control actions to notify or prevent the condition from continuing.

FFF. **Distributed Generation (DG) System** - A set of equipment that is connected at the customer's private facilities to produce electric power, including generators, inverters, protection and control systems, interconnection and other associated equipment, which are capable of operating in parallel with the Authority's electrical system.

GGG. **Interconnection Transformer (Transformer)** – Transformer through which the DG is interconnected with the Authority's electrical distribution system. This can be the transformer that supplies energy to the customer's facilities.

SECTION III: GENERAL PROVISIONS

A. The provisions of this Regulation are based on the PIMS and IAMS established by the FERC. In addition, they are complemented by those of the Regulations for the Certification of Plans of Electrical Construction Projects, Regulation of General Terms and Conditions for the Supply of Electric Energy, NEC, *National Electrical Safety Code* (NESC) and other laws or public policy, regulations, manuals, standards, standards, technical communications and standards of the electricity industry in force adopted by the Authority. They are also complemented by the provisions of the regulations of the Planning Board, OGPe, State Office of Public Energy Policy (OEPPE) and Commission.

B. DG projects that require construction and use permits from the OGPe or the Autonomous Municipality with Hierarchies from I to V, must comply, in addition to the provisions of this Regulation, with those established in the following chapters of the Joint Regulations for the Evaluation and Issuance of Permits Related to the Development and Use of Land (Joint Regulations) of the OGPe: Energy Generation Systems with Renewable Sources; Provisions for the Location, Construction, Installation and Operation of Wind Power Generation Systems; Design and Construction Parameters for Photovoltaic Solar Installations for Energy Generation and/or Sale. The time terms for the evaluation and endorsement of these projects will be those established in the Joint Regulations.

C. Before starting the operation of the DG in parallel with the Authority's electric distribution system and participating in the corresponding Net Metering Program, the customer must comply with the provisions of these Regulations. The customer may enter into an Agreement to Interconnect Generators with the Electric Power Authority's Electric Distribution System and Participate in the Net Metering Program (Agreement) only to interconnect a DG with the electric distribution system, without having to participate in the Net Metering Programs.

D. The maximum AC power capacity of a DG proposed to interconnect with the Authority's electric distribution system is 1 MW. For a residential customer, the maximum AC power capacity of the DG to be installed is 25 kW. Any DG with a capacity greater than 1 MW must be interconnected with the Authority's electrical transmission or subtransmission system, at nominal voltages of 115 kV and 38 kV, respectively.

E. The Authority shall submit to the consideration of the OEPPE the maximum aggregate capacity of the DGs that can be interconnected with its transmission,

subtransmission and electricity distribution systems, after carrying out the necessary studies to determine the conditions under which the integration of the same guarantees the reliable and safe operation of its electrical system. The OEPPE identifies the maximum percentage of distributed generation with renewable energy sources that can be integrated with Puerto Rico's electric system and delivers its conclusions and recommendations to the Commission. The Commission, in collaboration with the OEPPE and the Authority, will study and make determinations on the interconnection of DG and large-scale renewable energy projects with the Authority's electricity system, to ensure the greatest balance and equity in such access.

F. If the Authority identifies a DG operating in parallel with the electric distribution system without a formalized Agreement and in violation of applicable laws and regulations, the Authority has the right to disconnect the DG for safety reasons. In these cases, the Authority shall inform the governmental entity designated by the Commonwealth of Puerto Rico to certify the installers of these systems, the College of Engineers and Land Surveyors or the College of Electrical Experts, as the case may be, and the Secretary of Justice for the corresponding action.

G. In the event that the holder of the electric service account on the property where the DG is installed changes, the new holder must sign a new Agreement with the Authority. In this way, the customer will assign the rights and obligations contracted under the Agreement in force to the new account holder, without having to process a new interconnection and net metering request. The Authority will disconnect the DG until the new holder signs the Agreement. If the new Agreement is signed at the time of cancellation of the previous one, it will not be necessary to disconnect the DG.

H. Any DG that is to be interconnected with the Authority's electric distribution system must be evaluated through one of the processes set forth in these Regulations and approved by the Authority, regardless of whether or not the DG will export energy to the Authority's electric system or whether it is exempt from requesting permission from the OGPe by any waiver or exception.

I. For projects consisting of synchronous, induction or wind turbine generators, whose protection and control and interconnection systems are composed of equipment and devices that are not certified under IEEE 1547 and UL 1741 standards, OEPPE evaluation and OGPe certification are required for such equipment and devices.

J. The Authority verifies the design of the customer's GD before it is built. The client is responsible for obtaining endorsement of this design, as applicable, from the Authority prior to commencing construction of the GD.

K. The customer's DG must be connected to the Authority's electric distribution system through an interconnection transformer, which can be the transformer that

provides electric service to the customer's loads. Direct interconnection of the DG with the primary distribution system is not permitted.

L. Interconnecting the DG in parallel with the Authority's electric distribution system does not entitle the customer to use its system for the distribution or sale of energy to other customers of the Authority, with the exception of participants in the Shared Net Metering Program, in which energy may be distributed among multiple customers.

M. The customer must protect, operate, and maintain the DG in compliance with these Regulations, the signed Agreement, and those practices and methods, as amended and updated, that are commonly used in engineering and electric utilities to ensure the safe operation of the DG. Each customer is responsible for properly maintaining its DG system and for diligently replacing any system components that need to be replaced to ensure that the operation and interconnection of the system does not pose any danger to the life or property of the customer and third parties, and does not affect the safety and reliability of the electric grid.

N. The customer is responsible for supplying the production information of its GD, as required by the Authority.

O. The customer must provide access to the GD facilities so that the Authority's employees can perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c) maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that there is an emergency, has to perform work, or detects that it causes voltage or frequency fluctuations, flickering, or electrical signal quality problems; (e) perform any work related to the meter, of which the meter is not in an accessible location; and (f) disconnect the DG under the causes of non-compliance established in the Agreement. Once the Authority disconnects the DG, the customer will not be able to operate it until the condition that caused the disconnection is corrected and the Authority approves it. The Authority has a term of five working days to reconnect the DG after the condition is corrected and approved by the Authority. Access to Authority personnel will be coordinated in advance with the customer, except when an emergency situation exists.

P. If it is necessary to disconnect the DG for any of the reasons included in these Regulations, it will be done by means of the manual switch. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the customer. The customer is solely responsible for any damages or losses and relieves the Authority of all liability for any eventuality resulting in claims resulting from the absence of such manual switch.

Q. The Authority may disconnect the DG from the electric distribution system or limit its operation at any time, under the following conditions:

1. No notification:
   a. In emergency events or to correct unsafe operating conditions.
   b. If it is determined that the DG does not comply with the technical requirements detailed in this Regulation.
2. By notification sent in digital file with PDF format, at least thirty days in advance:
   a. To carry out routine maintenance, repair or modification work to the Authority's electrical system.
   b. Upon expiration or termination of the Agreement.
3. By means of notification sent in a digital file in PDF format, at least sixty days in advance, if the client is determined to be non-compliant with any of the provisions of these Regulations that are not technical requirements. If the customer is unable to correct the breach within sixty calendar days, but begins the correction within

   of twenty days after the notice and you submit evidence that you have worked continuously and diligently to complete it, you will have a maximum of six months to complete it.

Disconnection from the DG does not imply that the Authority will immediately cancel the Agreement. If the condition is not corrected within the time indicated, the Authority may terminate the Agreement as established in Section IX of these Regulations.

R. The customer may choose to permanently disconnect their DG from the Authority's electric distribution system. The DG must notify electronically the Distribution Engineering Department of the region where the DG is installed, at least twenty days in advance, in order to process the termination of the Agreement.

S. Net metering services, applicable to customers who request them, are established pursuant to Act 114, *supra*, as amended, Amended Order CEPR-MI-2014-0001 of the Puerto Rico Energy Commission, and these Regulations.

T. The Authority is required to create and maintain an electronic registration system or database updated with the inventory of distributed generation systems that are interconnected with the electric grid. This record must include, for each interconnected DG, the personal information of the account holder, the location and technical information of the DG and the description of the electrical infrastructure to which the DG interconnects with the Authority's electricity system. In line with the public policy of transparency, the Authority has to publish on its Internet portal a version of this database in which the personal information of customers is deleted.

U. The Authority may modify the content of any of the Annexes to these Regulations in accordance with the technological or administrative changes that apply.

However, any changes to these Schedules shall not affect the validity of these Regulations.

V. The certified installer is responsible for guiding the customer on the provisions of this Regulation, in particular the DG interconnection processes and technical requirements, using the confirmation document provided for these purposes. For this orientation, you can use the flowcharts of the interconnection processes available on the Authority's website.

W. The Authority's personnel and any natural or legal person involved in any phase of the interconnection process of a DG must comply with the provisions of these Regulations and the corresponding administrative procedures, in order for their implementation to be uniform throughout Puerto Rico. Any client or designer who finds a lack of uniformity regarding the application of these Regulations in the different regional offices of the Authority, must notify such situation to the Director of Transmission and Distribution, who will take the corresponding administrative measures to correct it.

X. If an agreement is not reached between the parties within the non-extendable period of 120 days from the filing of the request for interconnection and net metering with the Authority, except in cases that require studies for which this term will be 180 days, or in those cases where the Authority must disconnect a DG for technical or safety reasons, or in the event of disputes over invoicing or accreditation, the Commission shall have jurisdiction to settle such disputes, as provided in Law 57-2014, *supra*, as amended.

Y. The Commission and the EPPO, with input or collaboration from the Authority, have to determine the parameters, requirements, studies and other details necessary for the applicability, maximum capacity and development plans of solar communities and microgrids. The Commission, in collaboration with the OEPPE and the Independent Office of Consumer Protection (OIPC) will establish the regulatory framework for the Authority to develop regulations for solar communities and microgrids.

Z. In the event that DG plans are submitted for endorsement, either for the first time or for a design review, with changes in the photovoltaic (DC) module models notified in the interconnection application, reducing or maintaining the capacity (AC) as specified in the current evaluation, the design plan can be filed with an explanatory memorandum updating the information and stating the reasons for the change.

AA. For GDs that require an endorsement plan, when the capacity (CA) of the capacity specified in the current project evaluation is increased, it is necessary to file a new evaluation request before submitting the design plan for endorsement. In these cases, the previous evaluation will be cancelled.

BB. In projects with a capacity of 10 kW or less, with a valid endorsement letter that have changes in photovoltaic (DC) module models, reducing or maintaining

capacity (AC), an amended DG diagram must be filed and the corresponding information must be updated, along with all the documents included in the DG Interconnection Approval subsection.

CC. In projects with a capacity of 10 kW or less, in the event that the project increases the capacity (AC) of that specified in the current endorsement letter, it will be necessary to submit a new application for evaluation. In these cases, the previous endorsement letter will be cancelled.

SECTION IV: EXPEDITED PROCESS FOR EVALUATING THE INTERCONNECTION OF GENERATORS WITH ELECTRICAL DISTRIBUTION SYSTEM

Article A: Applicability

1. The expedited evaluation process is available to customers who propose to interconnect an inverter-based DG, with a capacity of 1 MW or less, with the Authority's electric distribution system.
2. This expedited process is divided into three evaluation methods, two for systems with a capacity of 10 kW or less and another for those with a capacity greater than 10 kW up to 1 MW. The customer has to request the corresponding process according to the capacity of their GD.
3. In order for the proposed GD to be evaluated through any of these expedited processes, it must meet the criteria detailed in Article D of this Section. If the criterion for the investor to be on the list of investors approved by the Authority for interconnection with its electric system is not met, the customer will have to submit the manufacturer's manual for the Authority to evaluate and approve it before beginning the evaluation of the project through the corresponding expedited process. If any other of the criteria is not met, the evaluation will be carried out through the study process described in Section V of these Regulations.
4. The Authority maintains published on its Internet portal the List of Feeders Requiring Supplementary Study. This includes feeders in which 15% of their annual peak demand is exceeded and the areas to which they distribute energy. Any DG project located in an area that is on this list cannot be evaluated through this expedited process.

Item B: DG with Capacity of 10 kW or Less

1. Expedited Process Type *Plug and Play* as Ordered by the Commission

This process will only be available to those customers who are interested in interconnecting a photovoltaic solar system with a capacity of up to 10 kW, on residential and commercial rooftops, exclusively with equipment and components certified by the OEPPE and that are on the lists of solar photovoltaic equipment and components available on the portal of the Puerto Rico Energy Commission Rico (http://energia.pr.gov/).

a. Evaluation of the Project for the Interconnection of the DG

1) The customer has to complete and electronically submit the Evaluation Application to Interconnect Inverter-Based Generators with a Capacity of 10 kW or Less with the Electric Distribution System (see Annex A) to the Distribution Engineering Department of the region where the DG will be installed or to the OGPe, or deliver it to the Autonomous Municipality with Hierarchies from I to V, as applicable. If the website is not available, the application can be completed in a digital file in PDF format available on the Authority's website (www.aeepr.com/medicionneta).

2) Documents and processes required electronically with the evaluation request:

   a) Payment of $100 to the Authority to process the evaluation request.

   b) Confirmation of Customer Guidance on the Process Established by the DG Interconnection Authority, validated by the customer (see Appendix B).

   c) Evidence that the equipment and components to be used for interconnection are contained in the Commission's lists and that they have OGPe certifications as approved by the OEPPE.

   d) Illustrative diagram of the installation of the DG to the point of delivery, including all components of the proposed DG. This diagram must have the signature and professional seal of the licensed and collegiate engineer who prepared it.

   e) Receipt of application, if the website is not available. This document is available on the Authority's website.

   f) If the client does not own the property where the GD will be installed, they must include the Affidavit of the Property Owner(s), included as Exhibit C, authorizing the installation on their property. The form will have to be sworn in before a notary public.

3) The Authority responds through an automatic email that confirms to the client the date and time of the filing of the application and other

documents. This confirmation does not represent the official receipt of the application.

4) The Authority verifies the information in the application for assessment for the DG interconnection and the documents received. If all required documents have been properly submitted, it electronically sends the client notice of:

   a) The official receipt of the application dated and validated by the authorized representative of the Authority, within the following five working days. This date will determine the order in which the application will be evaluated. If additional information is required to perform the evaluation or the required documents were not properly submitted, notify the client within this same term.

   b) The letter of endorsement or denial of the project within a term of no more than ten working days from the date on which all the required documents are received. In the event that the client is interested in participating in one of the Net Metering Programs, this letter must be sent to the client within a period of no more than fifteen working days. In cases where the DG is found not to meet all of the criteria in Article D of this Section, the client shall be notified in writing of the need to conduct a supplemental study as described in Section V, Article B, of these Regulations. The client has to meet all the requirements of the endorsement letter in order to begin construction of the GD.

5) Any new project consisting of multiple units, each with one or more DGs of its own and with individual electric service, is considered for evaluation purposes as a single project. The evaluation takes into account the characteristics of each

individual GD and the total of the GDs that are part of the project. The associated costs of the study, if any, are the responsibility of the client. For example: a development of a project with multiple residential units, each with its own particular GD.

6) The letter of endorsement of the project for the interconnection of the DG is valid for one year from the date of the letter issued by the Authority. This letter of endorsement expires if during that term the client does not begin the construction of the GD. After starting construction, the client has eighteen months to finish it. Otherwise, the endorsement letter loses its validity and it will be necessary to request a new evaluation of the project.

b. Electrical Construction & GD Testing

1) Construction of the GD can begin once the contractor and client ensure that the Authority issued the project endorsement letter.

2) The customer or its authorized contractor must notify electronically the Inspection Office of the region where the GD will be installed of the date for acceptance testing, at least ten business days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests performed, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated, interrupt, stop, postpone, condition or otherwise hinder the operation of the photovoltaic DG system in question.

3) The customer or his authorized representative performs the acceptance tests, as provided in Section VI, Article E, subsection 1, of these Regulations.

c. DG Interconnection Approval

1) The customer or their contractor must electronically deliver the following:

a) The Test Certification for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System (see Appendix F). This document must be digitally signed by a licensed and registered electrical engineer.

b) Evidence that adjustments were made to the inverter programming showing the adjustments made in voltage and frequency and disconnection times for compliance with the values set forth in Tables 3 and 4 of Section VI, Article B, of these Regulations. This evidence may be:

i. Print screen *of* the
Inverter programming that identifies the inverter and its association with the DG installation, such as the make, model, serial number, and location of the inverter

ii. Inverter Manufacturer Certification

c) Evidence that the installation of the GD was performed by an installer certified by the government body with jurisdiction to do so.

d) Evidence of the certification of the installation of the photovoltaic system issued by the OGPe or that it requested it, together with a copy of the receipt of payment of said application.

e) Agreement for the Waiver of Insurance Requirement (see Exhibit G) signed by the customer, for DGs that are inverter-based and have a capacity of less than 300 kW, which are exempt from a Renewable Energy Insurance policy.

General Public Responsibility. The customer has the option to electronically sign this agreement through the Authority's website.

f) Agreement (see Exhibit H) signed by the customer. The customer has the option to electronically sign this agreement through the Authority's website.

2) The client or its contractor submits to the Inspection Office of the region where the DG is installed or electronically files the Electrical Installation Certification in which it is guaranteed that it was carried out according to the specifications of the diagram and other documents submitted with the interconnection application. In addition, it certifies that the construction works comply with the NEC, NESC, applicable laws, regulations, manuals, technical communications of the Authority and other government agencies or entities. This document must be certified by a licensed and chartered electrical engineer or a licensed and chartered electrical expert. In order to file this certification electronically, the contractor must include in it his digital signature and the corresponding digital stamps, as established in Law No. 319 of May 15, 1938, as amended, Law of the College of Engineers and Surveyors. In the event that the certification is filed electronically, the Authority will send an electronic receipt to the client or authorized contractor. The Electrical Installation Certification is signed as accepted by the Inspection Office staff and delivered to the customer or their authorized contractor within a period of no more than five business days.

3) The customer may interconnect his DG with the Authority's electrical system once he delivers the Electrical Installation Certification detailed in the previous paragraph.

4) In cases where the DG has been interconnected without the certification of the photovoltaic system installation issued by the OGPe, the customer will deliver it to the Authority as soon as it is received.

5) Once the requirements detailed above are satisfactorily complied with, the customer's signature on the interconnection and release agreements, as applicable, will constitute formal acceptance of all the terms and conditions thereof and will perfect the contract between the Authority and the customer. A copy of these agreements will be delivered to the client, which will be in electronic format in cases where the client opts for the electronic signature of these agreements through the electronic portal.

6) The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity grid, after coordination with the customer, in order to verify that they have not been modified without their authorization.

2. Expedited Process for GDs Requiring Permission from the OGPe or the Autonomous Municipality with Hierarchies from I to V

This process is available to customers who are interested in interconnecting an inverter-based system with a capacity of up to 10 kW, regardless of the energy source used or its location within the customer's location.

to. Evaluation and Endorsement of Project Plans for DG Interconnection

1) The customer or its representative must follow the processes established in the Joint Regulations to request the evaluation and endorsement of plans for the interconnection of the DG.

2) Once the OGPe receives the request for evaluation and endorsement of plans from the DG, it will refer it to the Authority for the corresponding procedure.

3) The Authority evaluates the interconnection of the DG and endorses the design drawings of the same in accordance with the technical requirements included in these Regulations and within the time terms established in the Joint Regulations.

b. Electrical Construction

Construction of the GD can begin once the contractor and client ensure that:

1) The Authority endorsed the plans for the electrical installations of the DG.

2) Permits and endorsements were obtained from the other corresponding agencies, as applicable.

c. Electrical Construction Inspection

1) The client is responsible for hiring a private inspector to verify that the construction is carried out in accordance with the endorsed plans, before approving the operation of the DG in parallel with the Authority's electrical distribution system.

2) The customer or its authorized contractor must notify electronically the Inspections Office of the region where the GD will be installed, the start of construction. If the website is not available, the client will notify by means of the Notification of Commencement of Construction document (See Appendix E). After the system is installed, it will notify the date to carry out the acceptance tests, at least ten working days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated. The customer or their contractor must electronically deliver the following:

a) The Test Certification for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System (see Appendix F). This document must be digitally signed by a licensed and registered electrical engineer.

b) Evidence that adjustments were made to the inverter programming, showing the adjustments made to voltage and frequency and shutdown times for compliance with the values set forth in Tables 3 and 4 of Section VI, Article B, of these Regulations. This evidence may be:

i. Print screen *of* the
inverter programming that identifies the inverter and its association with the DG installation, such as the make, model, serial number and location of the inverter.

ii. Certification of the investor's manufacturer.

c) Evidence that the installation of the GD was performed by an installer certified by the government body with jurisdiction to do so.

d) Evidence of the certification of the installation of the photovoltaic system issued by the OGPe or that it requested it, together with a copy of the receipt of payment of said application.

e) Agreement for the Waiver of Insurance Requirement (see Exhibit G) signed, for DGs that are inverter-based and have a capacity of less than 300 kW, which are exempt from a General Public Liability Insurance policy. The customer has

the option to electronically sign this agreement through the Authority's website.

3) The client or its contractor must submit to the Inspection Office of the region where the GD is installed or file electronically, the Electrical Installation Certification in which it is guaranteed that it was carried out according to the specifications of the diagram and other documents submitted with the interconnection application. In addition, it certifies that the construction works comply with the NEC, NESC, applicable laws, regulations, manuals, technical communications of the Authority and other government agencies or entities. This document must be certified by a licensed and chartered electrical engineer or a licensed and chartered electrical expert. In order to file this certification electronically, the contractor must include in it his digital signature and the corresponding digital stamps, as established in Law No. 319 of May 15, 1938, as amended, Law of the College of Engineers and Surveyors. In the event that the Certification is filed electronically, the Authority will send an electronic receipt to the client or authorized contractor. The Electrical Installation Certification is signed as accepted by the Inspection Office staff and delivered to the customer or their authorized contractor within a period of no more than five business days.

4) The customer or his authorized representative has to electronically submit the Certification of Inspection of Electrical Construction Works, certified by the private inspector. With this, the inspector certifies that he inspected all the electrical construction and that it complies with the specifications of the plan endorsed by the Authority, the applicable laws and regulations, manuals, standards, codes and technical communications of the
Authority and other government agencies or entities.

d. DG Interconnection Approval

1) The Authority verifies that the client has provided all the reports and documents required in the inspection stage of the project within a period of no more than five working days.

2) Once the requirements detailed above are satisfactorily complied with, the customer's signature on the interconnection and release agreements, as applicable, will constitute formal acceptance of all the terms and conditions thereof and will perfect the contract between the Authority and the customer. A copy of these agreements will be delivered to the client, which will be in electronic format in

cases where the client opts for the electronic signature of these agreements through the electronic portal.

3) The Authority approves the interconnection of the DG within a period of no more than five working days, once all the requirements established in these Regulations are met and the Use Permit issued by the OGPe is presented, for those projects that require it.

4) The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity grid, subject to coordination

with the customer, in order to verify that they have not been modified without their authorization.

Article C: DG with Capacity Greater than 10 kW up to 1 MW

1. Evaluation of the Project for the Interconnection of the DG

a. The customer has to complete and electronically submit the Evaluation Application to Interconnect Inverter-Based Generators with Capacity Greater than 10 kW up to 1 MW with the Electrical Distribution System (see Annex A) to the Distribution Engineering Department of the region where the DG will be installed or to the OGPe, or deliver it to the Autonomous Municipality with Hierarchies from I to V, as applicable. If the website is not available, the application can be completed in the digital file in PDF format available on the Authority's Internet portal (www.aeepr.com/medicionneta).

b. Documents and processes required electronically with the evaluation request:

1) Payment to the Authority to process the assessment request according to the capacity of the system:

a) Greater than 10 kW up to 25 kW: $100

b) Greater than 25 kW up to 100 kW: $250

c) Greater than 100 kW up to 1 MW: $500

2) Confirmation of Customer Orientation on the Process

Established by the DG Interconnection Authority, validated by the customer (See Appendix B).

3) Site plans that include the location *plan* of the project in Lambert state plane coordinates based on the *North American Datum 1983* (NAD 83), as provided by

established by Law 264, *supra*, as amended.

4) Illustrative diagram of the installation of the DG to the point of delivery, including all components of the proposed DG.

5) OGPe certifications of OEPPE approved equipment.

6) Receipt of application, if the website is not available. This document is available on the Authority's website.

7) If the client does not own the property where the GD will be installed, they must include the Affidavit of the Property Owner(s), included as Exhibit C, authorizing the installation on their property. The form will have to be sworn in before a notary public.

c. The Authority responds through an automatic email that confirms to the client the date and time of the filing of the application and other documents. This confirmation does not represent the official receipt of the application.

d. The Authority verifies the information in the application for assessment for the DG interconnection and the documents received. If all required documents have been properly submitted, it electronically sends the client notice of:

1) The official receipt of the application dated and validated by the authorized representative of the Authority, within the following five working days. This date will determine the order in which the application will be evaluated. If additional information is required to perform the assessment or the required documents were not properly submitted, notify the client within this same term.

2) The evaluation letter, within a term of no more than ten working days from the date on which all the required documents are received. In the event that the client is interested in participating in one of the Net Metering Programs, this letter must be sent to the client within a period of no more than fifteen working days. It will indicate the Authority's requirements for the client to receive the endorsement of the design plans of the proposed GD and to be able to interconnect it. In cases where the DG is found not to meet all of the criteria in Article D of this Section, the evaluation letter shall indicate the need for supplemental study as described in Section V, Article B, of these Regulations.

e. Any new project consisting of multiple units, each with one or more DGs of its own and with individual electric service, is considered for evaluation purposes as a single project. The evaluation takes into account the characteristics of each individual GD and of the total of the DGs that are part of the project. The associated costs of the study, if any, are the responsibility of the client. For example: a development of a project with multiple residential units, each with its own particular GD.

f. The evaluation of the project for the interconnection of the DG is valid for one year from the date of the evaluation letter issued by the Authority. If during this period the Authority endorses the construction plans of the GD, the letter of evaluation will remain valid during the validity of the same.

2. Endorsement of Project Plans for DG Interconnection

a. The customer must electronically send to the Distribution Engineering Department of the region where the GD is located, the application for the endorsement of the plans with the following documents:

1) Evidence demonstrating the right to install the GD on the property, if the client does not own the property, if it has not been shown up during the appraisal process.

2) Electrical installation plans digitally signed by the designer on all sheets.

3) Electrical installation plan certification form digitally signed by the designer.

4) Evidence showing that the designer is a licensed and chartered engineer.

5) Diagram with the proposed protection and control scheme, as applicable. The protection and control requirements are set out in Section VI, Article B, of these Regulations. Annex D includes some examples of this type of diagram.

b. By signing and certifying the project drawing, the designer ensures that the project was prepared in accordance with the NEC, NESC, laws, regulations, manuals, standards, and technical communications approved by the Authority. The Authority is not responsible for the design of the GD shown in the plans. The endorsement of these by the Authority does not relieve the designer of responsibility for the design submitted.

c. The Authority endorses the electrical installation plans for the DG while the project evaluation letter is in force.

d. The Authority has five working days to endorse the drawings of the DG's electrical installations certified by the designer, as provided in Act No. 7, *above*, as amended.

e. The Authority endorses the project plans once the client complies with the requirements included in the current evaluation letter and in Section VI of these Regulations, in addition to the other requirements established in this Article.

f. The endorsement of the plans is valid for two years. This endorsement expires if during that period the client does not begin the construction of the GD. After starting construction, the client has eighteen months to finish it. Otherwise, the endorsement loses its validity. In the event that the endorsement of the plans expires, it is necessary to request a new evaluation of the project.

3. Electrical Construction

Construction of the GD can begin once the contractor and client ensure that:

a. The Authority endorsed the plans for the electrical installations of the DG.

b. Permits and endorsements were obtained from the other corresponding agencies, as applicable.

4. Electrical Construction Inspection

a. The customer with a DG with a capacity of 500 kW or more must electronically submit a short circuit study and a coordination study with all the protection settings and other required information, as detailed in Section VI, Article B, of these Regulations. Within a period of no more than ten working days, the Authority evaluates and approves the short circuit studies and coordination with the adjustments and notifies the client to perform the tests. The customer has to perform the relay tests with the approved settings and electronically deliver the report of the same, digitally signed by a licensed and registered electrical engineer. The Authority schedules the inspection of the DG within a term of no more than five working days after approving the report received from the relay tests.

b. Any project that requires construction and use permits issued by the OGPe entails an inspection by a private inspector hired by the client, to verify that the construction is carried out in accordance with the endorsed plans, before approving the operation of the DG in parallel with the Authority's electrical distribution system.

c. The customer or its authorized contractor must notify electronically the Inspections Office of the region where the GD will be installed, the start of construction. If the website is not available, the client will notify by means of the Notification of Commencement of Construction document (See Appendix E). After the system is installed, it will notify the date to carry out the acceptance tests, at least ten working days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

d. The customer or its authorized representative performs the acceptance tests, as provided in Section VI, Article E, subsection 1, of these Regulations, and electronically delivers to the Inspection Office of the region where the DG is installed, the Test Certification for Distributed Generation (DG) Systems to be Interconnected with PREPA's Electric Distribution System (see Annex F). This document must be digitally signed by a licensed and registered electrical engineer.

e. The customer or their authorized contractor must electronically deliver the following:

1) Evidence that adjustments were made to the inverter programming showing the adjustments made in voltage and frequency and disconnection times for compliance with the values set forth in Tables 3 and 4 of Section VI, Article B, of these Regulations. This evidence may be:

i. Print screen *of* the inverter programming that identifies the inverter and its association with the DG installation, such as the make, model, serial number and location of the inverter

ii. Inverter Manufacturer Certification

2) Evidence that the installation of the GD was performed by an installer certified by the government body with jurisdiction to do so.

f. The client or its authorized contractor must submit to the Inspection Office of the region where the DG is installed or file electronically, the Electrical Installation Certification in which it is guaranteed that it was carried out according to the specifications of the plan endorsed by the Authority. In addition, it certifies that the construction works comply with the NEC, NESC, applicable laws, regulations, manuals, technical communications of the Authority and other government agencies or entities. This document must be certified by a licensed and chartered electrical engineer or a licensed and chartered electrical expert. In order to file this certification electronically, the contractor must include in it his digital signature and the corresponding digital stamps, as established in Law No. 319 of May 15, 1938, as amended, Law of the College of Engineers and Surveyors. In the event that the Certification is filed electronically, the Authority will send an electronic receipt to the client or authorized contractor.

g. The Inspectorate Office staff, in coordination with the contractor, will conduct the project inspection on or before the day of the GD testing. The Authorized Contractor will electronically notify the customer or authorized contractor of the deficiencies found, within five business days after the defect, by means of a letter in digital file with PDF format. If no deficiencies are found, within the next three business days, the Inspection Office staff signs the Electrical Installation Certification as accepted and delivers it to the customer or their authorized contractor.

h. During the inspection process, the customer or their authorized contractor must electronically submit the certification of the installation of the GD issued by the OGPe, as applicable, at the Inspection Office of the region where the GD is installed.

i. For projects that require permits from the OGPe, the client or their authorized representative has to electronically submit the Certification of

Inspection of Electrical Construction Works, certified by the private inspector. With this, the inspector certifies that he inspected all the electrical construction and that it complies with the specifications of the plan endorsed by the Authority, the applicable laws and regulations, manuals, standards, codes and technical communications of the

Authority and other government agencies or entities.

5. DG Interconnection Approval

a. The Authority verifies that the client has provided all the reports and documents required in the inspection stage of the project within a period of no more than five working days.

b. A customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than 300 kW, with the electric distribution system and participates in the Basic Net Metering Program is exempt from a General Public Liability Insurance policy. In this case, the customer must sign an Agreement for Waiver of Insurance Requirement (see Exhibit G). The customer has the option to electronically sign this agreement through the Authority's website. However, the Authority reserves the right to require other conditions to ensure that both the customer and the Authority are protected.

c. The Authority requires evidence of public liability insurance for those customers who do not qualify for exemption from public liability insurance, as detailed in Section VIII of these Regulations. This evidence must be submitted to the Authority at least thirty days prior to the signing of the Agreement. The Authority, within fifteen working days, will evaluate the policy submitted and determine its acceptance. In the event that the policy does not comply with the requirements of the Authority, the Authority shall notify the proponent, within the same period of days, so that the corresponding corrections may be made and the policy may be submitted again to the Authority. Once the client submits the corrected information, the Authority will have a period of five working days to approve said insurance. In the event that the Authority does not notify the client of the approval or corrections corresponding to the insurance within the terms previously indicated, it will be understood that the insurance is approved and it will be presumed that the client complies with all the requirements.

d. Once the requirements detailed above are satisfactorily complied with, the customer's signature on the interconnection and release agreements, as applicable, will constitute formal acceptance of all the terms and conditions thereof and will perfect the contract between the Authority and the customer. A copy of these agreements will be delivered to the client, which will be in

electronic format in cases where the client opts for the electronic signature of these agreements through the electronic portal.

e. The Authority approves the interconnection of the DG within a period of no more than five working days once all the requirements established in these Regulations are met and the Use Permit issued by the OGPe is presented, for those projects that require it.

Article D: Eligibility Criteria

1. The eligibility criteria included in this Article are consistent with IEEE, UL, and ANSI standards, as applicable for the interconnection of the DG with the Authority's electric distribution network. Similarly, they use the criteria included in the SGIP and the SGIA as a model.
2. Compliance with the criteria of this Article is intended to prevent the DG from adversely affecting the Authority's electric system and from going offline under unsafe operating conditions. In this way, the Authority prevents the DG from posing risks to citizens, the Authority's employees and the equipment connected to the electricity system.
3. The GD must meet the following criteria in order to be evaluated under the expedited process described in Articles B and C of this Section:
   a. The investor has to be certified by the OGPe and approved by the Authority. If the inverter is not approved by the Authority, the customer must submit the manufacturer's manual so that it can evaluate whether it is suitable for interconnection with its electrical system and add it to its list of approved inverters for this purpose. In these cases, the Authority will begin the evaluation of the project through the corresponding expedited process after the use of the investor is approved. Other components of the DG, such as batteries, charge controllers, photovoltaic modules, and any other type of technology that uses renewable energy sources, must comply with the requirements of Section VI, Article A.
   b. For single-phase DGs, use inverter-based technology with AC capacity of 25 kW or less.
   c. Three-phase GDs with AC capacity of 200 kW or less are eligible to be evaluated through this process.
   d. Three-phase DGs with a capacity greater than 200 kW up to 1 MW can be evaluated by this process only if they are interconnected in overhead feeders with a caliber of 266 kcmil type ACSR or greater, or underground feeders with a gauge of 500 kcmil type XLPE or greater, from the substation to the delivery point. In addition, the length of the feeder must comply with the distance parameters per voltage level included in Table 1:

Table 1. Additional Criteria for the Expedited Evaluation Process for DG with Capacity Greater than 200 kW up to 1 MW

Line-to-Line Voltage (kV)	Maximum Feeder Length from Substation to Delivery Point (mi)
4.16	0.5
4.8	0.5
7.2	1.5
8.32	1.5
13.2	2.0

In these cases, the customer has to verify with the Distribution Engineering Department of the region where the GD would be located, the information on the distance and gauge of the feeder conductors to determine if it meets these criteria.

e. The aggregate capacity of all DGs interconnected to a transformer, including the proposed one, must be less than or equal to the transformer's capacity.

f. The maximum aggregate generation capacity to be interconnected in the secondary of a single-phase transformer or a bank of transformers, which supplies more than one customer, must be less than or equal to the total capacity of the customer. For transformer banks with open delta connection, the maximum aggregate capacity of generation to be interconnected cannot exceed their effective capacity, which is 87.5% of the nominal capacity of the transformers[1].

g. The aggregate capacity of all the interconnected DGs in the same feeder, including the proposed one, cannot exceed 15% of the annual peak demand of the feeder. This peak demand shall be determined at the output of the feeder at the substation and shall correspond to the maximum demand recorded in the feeder during the twelve months prior to the date on which the request for assessment is received.

h. The sum of the short-circuit current contribution of all DGs interconnected to the feeder, including the proposed one, may not exceed 10% of the maximum short-circuit current on the primary side of the feeder.

i. The customer's GD, in conjunction with the other GDs interconnected in the feeder, may not cause any other customer's protective equipment or GD to exceed 87.5% of its short-circuit interrupting capacity. This includes, but is not limited to, substation switches, feeder fuses and automatic *reclosers*.

[1] En el caso de las conexiones delta abierta, en las que dos transformadores monofásicos suplen cargas trifásicas y monofásicas, es necesario hacer un *derating* de la capacidad del banco para permitir una operación balanceada y segura del mismo. El estándar y la práctica en los sistemas de distribución eléctrica utiliza una capacidad efectiva de 87.5% de la capacidad nominal de los transformadores en estas conexiones.

j. If the customer's DG is connected to the secondary side of a distribution transformer with 120/240 volt service that supplies more than one customer, the DG may not cause an imbalance in load between the 120 volt outputs in the transformer greater than 20% of the transformer's capacity.

k. The installation of the proposed GD may not require the construction of infrastructure by the Authority.

4. If any of the criteria or requirements included in subsection 3 are not met, a supplementary study will be required to complete the evaluation of the proposed GD, as described in Section V.

SECTION V: STUDY PROCESS TO EVALUATE THE INTERCONNECTION OF GENERATORS WITH ELECTRICAL DISTRIBUTION SYSTEM

Article A: Applicability

1. The study process is available to customers who request to interconnect a DG with the Authority's electric distribution system that meets any of the following conditions or combination of them:
   a. Does not meet any of the eligibility criteria for the expedited process, as set forth in Section IV, Article D, subsection 3.
   b. It uses non-investor-based technologies.
2. If the eligibility criteria for the expedited process are not met, the Authority shall evaluate the investor-based technology project through a study supplementary to the evaluation conducted for the expedited process, as per Article B of this Section.
3. The Authority shall evaluate projects with non-investor-based technologies through a review process, in accordance with Article C of this Section.

Article B: Review by Supplementary Study to the Expedited Process

1. Applications for projects with investor-based technology that do not meet the eligibility criteria of the expedited process require a supplementary study to continue with the interconnection process. This study will determine whether improvements to the Authority's electric distribution system or changes to the design of the DG are necessary to achieve a safe and reliable interconnection of the DG.
2. The Authority notifies the customer or his authorized representative, in the evaluation letter, that a supplementary study is necessary. This letter includes the additional information required, if any, the analyses to be carried out by the Authority and provides an estimate of the costs and time involved in the study, which will not exceed 180 days. The client must accept the supplemental study with its associated costs and submit the additional information requested, if any, within twenty days of notification. Otherwise, it is understood that the client withdraws the evaluation request.

3. Table 2 presents a guide to the costs for supplementary studies, according to the capacity of the GD.

Table 2. Supplemental Study Cost Guide

GD Capacity	**Supplemental Study Costs**
10 kW or less	$300
10 kW < capacity ≤ 1 MW	Current cost of the study

4. The client or his authorized representative may request a meeting to discuss and clarify doubts about the preliminary results of the evaluation and the analyses required under the supplementary study, within twenty days of notification of the need for the supplemental study.
5. The Authority commences the supplementary study upon receipt of payment.
6. The Authority evaluates the proposed DG interconnection through the supplemental study to determine the impact of the proposed DG on the Authority's electric distribution system. In addition, it identifies necessary improvements to the design of the DG, to the customer's or the Authority's electrical installations to minimize or eliminate the impact of the DG. Depending on the characteristics of the DG and the feeder to which it will be interconnected, the evaluation may include one or more of the following analyses:
    a. Power Flow - This study seeks to identify if the proposed DG interconnection affects the voltage regulation in the feeder, causes overvoltage, or causes any electrical equipment, such as conductor, fuse, transformer, or other, to exceed its capacity. It will establish the necessary changes to correct the problems that are identified.
    b. Short Circuit - This study determines whether protective equipment, or the coordination of protection thereof, is adversely affected by the short-circuit current contribution of the DG. In addition, it identifies possible solutions to the problems encountered.
    c. Stability – This study determines whether the design or capacity of the proposed GD may cause stability issues in the feeder. Through this study, the dynamic behavior of the GD and
    how it adversely affects the operation of the Authority's electric distribution system. In addition, it identifies possible solutions to the problems encountered.
7. Once the website is available, the client or their authorized representative will be able to know the stage where the review is through a supplementary study to the expedited process of their GD project. The stages that make up this review are:
    a. Mapping – Compilation of the feeder's field information under study and updating in the Authority's geographic information system.

b. Coordination – Identification of strategic points for the collection of energy demand data, programming of the metering equipment and communication between the personnel of the Department of Planning and Studies of the Distribution System and the corresponding Technical District to coordinate the installation of the same within the agenda of the scheduled technical works.

c. Metering – Period of time when metering equipment is collecting energy demand data at strategic feeder points.

d. Simulation – Processing of energy demand data, digitalization of the feeder, technical simulations carried out by the staff of the Distribution System Planning and Studies Department and by the staff of the Protection Studies Department, analysis of the results of the simulations, identification of solutions to a negative impact on the Authority's distribution system and preparation of the report with technical recommendations.

8. From the moment the customer issues the payment for the corresponding supplementary study, he will be able to verify the stage in which the study of the feeder to which the proposed DG would be interconnected is. If it is in one of the stages after the Cartography mentioned in the previous paragraph, the status of the evaluation of said GD will be advanced to the same stage in which the study of the feeder is and in or before 30 days of having made the payment. The client will be informed of the time it will take to complete the assessment, which will be less than or equal to 180 days.

9. Once the Authority has carried out the supplementary study, it sends, in a digital file in PDF format, the evaluation letter with the results obtained and the recommendations to interconnect the DG with the Authority's electricity distribution system, within the period of 180 days stipulated in Article B, paragraph 2, of this Section. The results of the study are valid for one year.

10. If the supplemental study reveals that changes to equipment are necessary in the Authority's electric distribution system or in the design of the DG, and the

    If the customer wishes to continue with the interconnection process, he is responsible for making and paying for the required changes.

11. The evaluation of the project for the interconnection of the DG is valid for one year from the date of the evaluation letter issued by the Authority. If during this period the Authority endorses the construction plans of the GD, the letter of evaluation will remain valid during the validity of the same.

12. The client is responsible for completing the endorsement, construction, and inspection processes of the project, as applicable, and obtaining approval for the DG interconnection, in accordance with the provisions of Section IV of these Regulations.

Article C: Study Process in Projects with Non-Investor-Based Technologies

1. Evaluation of the Project for the Interconnection of the DG

a. The customer has to complete and electronically submit the Request for Evaluation Through Study Process to Interconnect Generators with the Electric Distribution System (see Annex A) to the Distribution Engineering Department of the region where the DG or OGPe will be installed, or deliver it to the Autonomous Municipality with Hierarchies from I to V, as applicable. If the website is not available, the application can be completed in the digital file in PDF format available on the Authority's Internet portal (www.aeepr.com/medicionneta).

b. Documents and processes required electronically with the evaluation request:

1) Payment of $500 to the Authority to process the evaluation request.

2) Confirmation of Customer Orientation on the Process Established by the DG Interconnection Authority, validated by the customer (See Appendix B).

3) Site plans that include the location *plan* of the project in Lambert state plane coordinates based on the *North American Datum 1983* (NAD 83), as provided by established by Law 264, *supra*, as amended.

4) Illustrative diagram of the installation of the DG to the point of delivery, including all components of the proposed DG.

5) OGPe certifications of OEPPE approved equipment.

6) The manufacturer's manual of interconnection equipment.

7) If the client does not own the property where the GD will be installed, they must include the Affidavit of the Property Owner(s), included as Exhibit C, authorizing the installation on their property. The form will have to be sworn in before a notary public.

c. Receipt of application, if the website is not available. This document is available on the Authority's website.

d. The Authority responds through an automatic email that confirms to the client the date and time of the filing of the application and other documents. This confirmation does not represent the official receipt of the application.

e. The Authority verifies the information in the application for assessment for the DG interconnection and the documents received. If all required documents have been properly submitted, it electronically sends the client notice of:

1) The official receipt of the application dated and validated by the authorized representative of the Authority, within the following five working days. This date will determine the order in which the application will be evaluated. If additional information is required to

perform the assessment or the required documents were not properly submitted, notify the client within this same term.

2) The estimate of the cost of the study and the approximate time to carry it out, within ten working days from the date on which all the required documents are received.

f. Any new project consisting of multiple units, each with one or more DGs of its own and with individual electric service, is considered for evaluation purposes as a single project. The evaluation takes into account the characteristics of each individual GD and of the total of the DGs that are part of the project. The associated costs of the study, if any, are the responsibility of the client. For example: a development of a project with multiple residential units, each with its own particular GD.

g. The Authority begins the study once it receives the corresponding payment.

h. The Authority evaluates the proposed DG interconnection through the study process to determine the impact of the proposed DG on the Authority's electric distribution system. In addition, it identifies necessary improvements to the design of the DG, to the customer's or the Authority's electrical installations to minimize or eliminate the impact of the DG. Depending on the characteristics of the DG and the feeder to which it will be interconnected, the evaluation may include one or more of the following analyses:

1) Power Flow - This study seeks to identify if the proposed DG interconnection affects the voltage regulation in the feeder, causes overvoltage, or causes any electrical equipment, such as conductor, fuse, transformer, or other, to exceed its capacity. It will establish the necessary changes to correct the problems that are identified.

2) Short Circuit - This study determines whether protective equipment, or the coordination of protection thereof, is adversely affected by the short-circuit current contribution of the DG. In addition, it identifies possible solutions to the problems encountered.

3) Stability – This study determines whether the design or capacity of the proposed GD may cause stability issues in the feeder. Through this study, the dynamic behavior of the DG and how it adversely affects the operation of the Authority's electricity distribution system is evaluated. In addition, it identifies possible solutions to the problems encountered.

4) Verification of the Grounding Design - Depending on the design of the DG and its interconnection, a grounding study may be necessary to confirm that the DG does not cause overvoltage problems or affect the protection coordination of the system, among others, during

normal operation or in the event of electrical disturbances. This study identifies possible solutions to the problems found.

5) Electrical Signal Quality - This study determines whether the design or capability of the proposed GD can cause degradation in the feeder's electrical signal quality through harmonic content input, imbalance, flickering, and other transient phenomena. In addition, it identifies how the DG may adversely affect the operation of the Authority's electric distribution system and potential solutions to the problems encountered.

i. Once the Authority conducts the study, it sends, in a digital file in PDF format, the evaluation letter with the results obtained and the recommendations to interconnect the DG with the Authority's electricity distribution system within the 180-day period stipulated in Article B, paragraph 2, of this Section. The results of the study are valid for one year.

j. If the study reveals that changes need to be made to equipment in the Authority's electric distribution system or in the design of the DG, and the customer wishes to continue with the interconnection process, the customer is responsible for making and paying for the required changes.

k. The evaluation of the project for the interconnection of the DG is valid for one year from the date of the evaluation letter issued by the Authority. If during this period the Authority endorses the construction plans of the GD, the letter of evaluation will remain valid during the validity of the same.

2. Endorsement of Project Plans for DG Interconnection

a. The customer must electronically send to the Distribution Engineering Department of the region where the GD is located, the application for the endorsement of the plans with the following documents:

1) Evidence demonstrating the right to install the GD on the property, if the client does not own the property, if it has not been shown up during the appraisal process.

2) Electrical installation plans digitally signed by the designer on all sheets.

3) Electrical installation plan certification form digitally signed by the designer.

4) Evidence showing that the designer is a licensed and chartered engineer.

5) Diagram with the proposed protection and control scheme, as applicable. The protection and control requirements are set out in Section VI, Article B, of these Regulations. Annex D includes some examples of this type of diagram.

b. By signing and certifying the project drawing, the designer ensures that the project was prepared in accordance with the NEC, NESC, laws, regulations, manuals, standards, and technical communications approved by the Authority. The Authority is not responsible for the design of the GD shown in the plans. The endorsement of these by the Authority does not relieve the designer of responsibility for the design submitted.

c. The Authority endorses the electrical installation plans for the DG while the project evaluation letter is in force.

d. The Authority has five working days to endorse the drawings of the DG's electrical installations certified by the designer, as provided in Act No. 7, *above*, as amended.

e. The Authority endorses the project plans once the client complies with the requirements included in the current evaluation letter and in Section VI of these Regulations, in addition to the other requirements established in this Article.

f. The endorsement of the plans is valid for two years. This endorsement expires if during that period the client does not begin the construction of the GD. After starting construction, the client has eighteen months to finish it. Otherwise, the endorsement loses its validity. In the event that the endorsement of the plans expires, it is necessary to request a new evaluation of the project.

3. Electrical Construction

Construction of the GD can begin once the contractor and client ensure that:

a. The Authority endorsed the plans for the electrical installations of the DG.

b. Permits and endorsements were obtained from the other corresponding agencies, as applicable.

4. Electrical Construction Inspection

a. The customer with a DG with a capacity of 500 kW or more must electronically submit a short circuit study and a coordination study with all the protection settings and other required information, as detailed in Section VI, Article B, of these Regulations. Within a period of no more than ten working days, the Authority evaluates and approves the short circuit studies and coordination with the adjustments and notifies the client to perform the tests. The customer has to perform the relay tests with the approved settings and deliver the report of the same, digitally signed by a licensed and registered electrical engineer. The Authority schedules the inspection of the DG within a period of no more than five days after approving the report received from the relay tests.

b. Any project that requires construction and use permits issued by the OGPe entails an inspection by a private inspector hired by the client, to verify that the construction is carried out in accordance with the endorsed plans, before approving the operation of the DG in parallel with the Authority's electrical distribution system.

c. The customer or its authorized contractor must notify electronically the Inspections Office of the region where the GD will be installed, the start of construction. If the website is not available, the client will notify by means of the Notification of Commencement of Construction document (See Appendix E). After the system is installed, it will notify the date to carry out the acceptance tests, at least ten working days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

d. The customer or its authorized representative performs the acceptance tests, as provided in Section VI, Article E, paragraph 1, of these Regulations, and delivers to the Inspection Office of the region where the DG is installed, the Test Certification for Distributed Generation (DG) Systems to be Interconnected with PREPA's Electric Distribution System (see Annex F). This document must be digitally signed by a licensed and registered electrical engineer.

e. The customer or their authorized contractor must electronically deliver the following:

    1) Evidence that adjustments were made to the inverter programming, showing the adjustments made to voltage and frequency and shutdown times for compliance with the values set forth in Tables 3 and 4 of Section VI, Article B, of these Regulations. This evidence may be:

        a) Print screen *of* the inverter programming that identifies the inverter and its association with the DG installation, such as the make, model, serial number and location of the inverter

        b) Inverter Manufacturer Certification

    2) Evidence that the installation of the GD was performed by an installer certified by the government body with jurisdiction to do so.

f. The client or its authorized contractor must submit to the Inspection Office of the region where the DG is installed or file electronically, the Electrical Installation Certification in which it is guaranteed that it was carried out according to the specifications of the plan endorsed by the Authority. In

addition, it certifies that the construction works comply with the NEC, NESC, applicable laws, regulations, manuals, technical communications of the Authority and other government agencies or entities. This document must be certified by a licensed and chartered electrical engineer or a licensed and chartered electrical expert. In order to file this certification electronically, the contractor must include in it his digital signature and the corresponding digital stamps, as established in Law No. 319 of May 15, 1938, as amended, Law of the College of Engineers and Surveyors. In the event that the Certification is filed electronically, the Authority will send an electronic receipt to the client or authorized contractor.

g. If power quality *studies are required*, according to the criteria established in Section VI, Article C, of these Regulations, the customer or its authorized representative must electronically submit the reports of the studies carried out at the interconnection point and at the Authority's energy delivery point, in which it certifies compliance with the electrical signal quality requirements established in the IEEE 1547, IEEE 519 and other applicable standards of the electrical industry.

h. The Inspectorate Office staff, in coordination with the contractor, will conduct the project inspection on or before the day of the GD testing. The Authorized Contractor shall notify the customer or authorized contractor electronically of the deficiencies found, within five working days after the defect, by means of a letter in digital file in PDF format. If no deficiencies are found, within the next three business days, the Inspection Office staff signs the Electrical Installation Certification as accepted and delivers it to the customer or their authorized contractor.

i. During the inspection process, the customer or its authorized contractor must electronically submit the certification of the installation of the GD issued by the OGPe, as applicable, to the Bureau of Inspections of the region where the DG is installed.

j. For projects that require permits from the OGPe, the client or their authorized representative has to electronically submit the Certification of Inspection of Electrical Construction Works, certified by the private inspector. With this, the inspector certifies that he inspected all the electrical construction and that it complies with the specifications of the plan endorsed by the Authority, the applicable laws and regulations, manuals, standards, codes and technical communications of the

Authority and other government agencies or entities.

5. DG Interconnection Approval

a. The Authority verifies that the client has provided all the reports and documents required in the inspection stage of the project within a period of no more than five working days.

b. A customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than 300 kW, with the electric distribution system and participates in the Basic Net Metering Program is exempt from a General Public Liability Insurance policy. In this case, the customer must sign an Agreement for Waiver of Insurance Requirement (see Exhibit G). The customer has the option to electronically sign this agreement through the Authority's website. However, the Authority reserves the right to require other conditions to ensure that both the customer and the Authority are protected.

c. The Authority requires evidence of public liability insurance for those customers who do not qualify for exemption from public liability insurance, as detailed in Section VIII of these Regulations. This evidence must be submitted to the Authority at least thirty days prior to the signing of the Agreement. The Authority, within fifteen working days, will evaluate the policy submitted and determine its acceptance. In the event that the policy does not comply with the requirements of the Authority, the Authority shall notify the proponent, within the same period of days, so that he may make the corresponding corrections and submit the policy again to the Authority. Once the client submits the corrected information, the Authority will have a period of five working days to approve said insurance. In the event that the Authority does not notify the client of the approval or corrections corresponding to the insurance within the terms previously indicated, it will be understood that the insurance is approved and it will be presumed that the client complies with all the requirements.

d. Once the requirements detailed above are satisfactorily complied with, the customer's signature on the interconnection and release agreements, as applicable, will constitute formal acceptance of all the terms and conditions thereof and will perfect the contract between the Authority and the customer. A copy of these agreements will be delivered to the client, which will be in electronic format in cases where the client opts for the electronic signature of these agreements through the electronic portal.

e. The Authority approves the interconnection of the DG within a period of no more than five working days once all the requirements established in these Regulations are met and the Use Permit issued by the OGPe is presented, for those projects that require it.

SECTION VI: TECHNICAL REQUIREMENTS

The technical requirements included in this Section are consistent with IEEE, UL, and ANSI standards, as applicable for the interconnection of the DG with the Authority's electric distribution network. In addition, they use the criteria included in the SGIP and the SGIA as a model. Compliance with these technical requirements is intended to prevent the DG from adversely affecting the Authority's electrical system and from going offline under unsafe operating conditions. In this way, the Authority prevents the DG from presenting risks to citizens, the Authority's employees and the equipment connected to the electricity system.

Article A: Approval of Use of Certified Equipment

1. By law, all equipment that is part of a renewable energy generation system must be approved by the OEPPE, including, but not limited to, photovoltaic modules, wind turbines, synchronous generators, induction generators, inverters, and control systems. The OEPPE has to certify that inverters and control systems that interconnect renewable energy sources with the electricity grid comply with IEEE 1547, UL 1741 and other applicable standards. The list of OEPPE-certified equipment and components is available on the Commission's portal (http://energia.pr.gov).
2. The Authority permits the use of equipment with inverter technology, generators, relays, and other devices that comply with applicable standards and codes. These have to be evaluated and approved by the Authority.
3. The Authority has a list of approved investors and control systems that is regularly updated. If any proposed inverter or control system is not on this list, the customer must submit in a digital file in PDF format the manufacturer's manual of the proposed equipment for evaluation, in addition to the certification issued by the OGPe that it is approved by the OEPPE.
4. If the equipment has not been previously evaluated and approved by the Authority, the Authority may request that the manufacturer, distributor or owner send, in a digital file in PDF format, the documents certifying that the investor complies with the following:
    a. Are certified by a nationally recognized testing laboratory. This ensures that they meet the acceptance criteria of the tests required in the IEEE 1547 or UL 1741 standard, as applicable, for equipment that operates continuously in parallel with the electric utility systems.
    b. Comply with the permitted harmonic content distortion limits, according to the IEEE 519 standard and other applicable standards.
    c. Comply with voltage *flicker limits*, according to the IEEE 1453 standard and other applicable standards.

d. Comply with applicable Authority regulations. If any conflict with other standards arises, the Authority's regulations shall prevail.

e. Have the ability to operate continuously in parallel (*grid tied)* with the Authority's electrical distribution system.

f. Have the ability to adjust in the frequency range, voltage and operating times.

Article B: Protection and Control

1. The protection requirements detailed below are set out for the security of the DG's interconnection with the Authority's electric distribution system. These protection requirements have the primary purpose of:

   a. Disconnect the DG when it ceases to operate in parallel with the Authority's system.

   b. Protect the Authority's system against damage that may be caused by the DG connection, including the contribution of the DG to failures of the Authority's system and transient overvoltages.

   c. Protect the DG against damage that may be caused by the Authority's system, especially through automatic reclosing operations.

2. In addition to the requirements included in this Section, the customer's GD must comply with applicable standards in force, including, but not limited to, IEEE 1547, IEEE 519, and IEEE/ANSI C37.90 (*Standard for Relays and Relay Systems Associated with Electric Power Apparatus*). In the case of equipment with inverter technology, they must be certified according to the UL 1741 standard.

3. The design of the customer's facilities has to integrate general safety and security practices to safeguard life, protect the infrastructure of the Authority, the GD and other equipment of the customer.

4. For GD with a capacity of 500 kW or more, the Authority requires the customer to install a protection relay with microprocessor technology. Programming adjustments to this relay must ensure compliance with applicable standards and requirements, including the IEEE 1547 series of standards. The design drawings of the circuit associated with the relay must include, at a minimum, the following:

   a. Make, model and characteristics of the protection relay.

   b. Connection of *inputs* and outputs of the relay.

   c. Connection of the current and voltage transformers associated with the protection relay. This equipment must comply with the ANSI/IEEE C57.13 (*Standard Requirements for Instrument Transformers*) standard.

   d. Rating and turn ratio of current transformers (CTs), which must be rated for use in protective systems.

   e. Voltage transformer turn ratio (VT).

   f. Voltages on the primary and secondary side of the transformer, maximum and minimum capacity, configuration of the connection of the windings on

the primary and secondary side of the transformer, and impedance (including the capacity at which it was measured) of the interconnect transformer.

g. Rating and speed of the fuse that protects the high-voltage side of the interconnect transformer. In addition, the study of coordination, adjustments and characteristics, in case of having another protection device on the primary side of the transformer.

h. The Authority requires the use of a dedicated switch that disconnects the DG in the event of electrical disturbances. The protection functions that ensure the safety of the interconnection will control this switch. The circuit associated with the switch trip must include a voltage source of operation independent of the electrical system it protects, to ensure the activation of the switch in case of electrical disturbances.

i. Operating voltage source for the relay, which will ensure the activation of this device during electrical disturbances.

Examples of this type of diagram are included in Appendix D - Illustrative Diagrams of Protection Schemes.

5. The customer with a DG with a capacity of 500 kW or more has to electronically deliver a short-circuit study and a coordination study with all programmed protection settings, including the control logic equations, *inputs* and *outputs* of the relay. These studies must include, at least, the following information:

a. Short Circuit Study:

The short-circuit study mainly consists of performing three-phase and phase-to-ground fault simulations at different points of the customer's facilities, starting at the point of delivery of the electricity service and ending at the location of the inverters. This information is necessary to verify the coordination between the different protection devices connected in series between this delivery point and the inverters. The study has to include the above simulations for two cases: one where the DG is disconnected and the customer's facilities are only using the Authority's system, and one where the DG is interconnected with the Authority's system. In order for the customer to carry out this study, the Authority will provide the information on the equivalent impedance of the electrical system at the point of delivery of the service. The short-circuit study report must include at least the following:

1) Short-circuit current input for each inverter.
2) The sum of the short-circuit current input of all inverters.
3) Duration of the short-circuit current input of the inverters.
4) Short-circuit current values of the simulated three-phase and phase-to-ground faults both for the case of the disconnected DG with only

input from the Authority's system and for the case of the DG interconnected with said system in at least the following locations:

a) Service delivery point.

b) Secondary side of the customer's substation transformer.

c) Secondary side of the interconnect transformer.

d) Interconnection point of the DG and its investors.

e) Where there is a change in the voltage level within the customer's premises.

b. Protection coordination study:

The coordination study uses the results of the short-circuit study described above as a basis for determining the necessary adjustments to the different existing protection devices to be installed as part of the DG project. The selected adjustments must provide effective and adequate protection of both the customer's facilities and the Authority's electrical system, in compliance with the requirements of these Regulations and with the applicable standards, codes and regulations in force. The coordination study is performed for two main cases: protection of facilities during three-phase and phase-to-phase faults, known as phase protection, and during phase-to-ground failures, known as *ground* protection. The report of the protection coordination study must include, at least, the following:

1) Settings and features of all protection devices installed between the service delivery point and the DG inverters. These devices include, but are not limited to, switches with integrated overcurrent functions (i.e. *molded-case breakers*), protective relays, and fuses. In the case of fuses, the manufacturer's information, capacity and speed must be included.

2) *Time-current curves* (TCCs) of all the relays and fuses evaluated in the study.

3) Operating time of each device or protection function, for both phase and ground protection.

6. The customer with a DG with a capacity of 500 kW or more is responsible for performing the relay tests with the adjustments approved in the evaluation of the short circuit and coordination studies and for delivering the report of the same, digitally signed by a licensed and chartered electrical engineer. The report must include the notes that are necessary to explain the results of the relay tests and demonstrate that they are satisfactory. The report must also present the relay settings *as left*, that is, as previously approved by the Authority and as programmed into the relay after testing. Where it is necessary to demonstrate that the tests were carried out satisfactorily, the report must include the calibration certificate of the test equipment. Relay testing must be performed in accordance with applicable standards and prudent electrical industry practices, which may require testing at each stage of the relay to verify proper relay operation.

7. The minimum functions required for the protection of the DG interconnection, with a capacity of 500 kW or more, which are synchronous generators, induction generators or wind turbines with the Authority's electrical distribution system are:
    a. 59 - Overvoltage
    b. 27 - Undervoltage
    c. For ground fault detection in delta systems, the relay can have one of the following functions:
        1) 59N or 59G - Ground or *neutral overvoltage*
        2) 27/59 – Phase *undervoltage and overvoltage*
    d. 81O - *Overfrequency*
    e. 81U - *Underfrequency*
    f. 25 - *Synchronism*
    g. 32 - *Watts and VARs directional power* - To detect motoring conditions of the machine and to limit the flow of energy to the Authority system when required.
    h. 46 - Negative *sequence current*
    i. 50 - *Instantaneous overcurrent*
    j. 51 - *Time-delay overcurrent*
8. The minimum functions required for the protection of the interconnection of DGs with a capacity of 500 kW or more that are of technologies with inverters with the Authority's electrical distribution system are: a. 59 - *Overvoltage*
    b. 27 - Undervoltage
    c. For ground fault detection in delta systems, the relay can have one of the following functions:
        1) 59N or 59G - Ground or *neutral overvoltage*
        2) 27/59 – Phase *undervoltage and overvoltage*
    d. 81O - *Overfrequency*
    e. 81U - *Underfrequency*
    f. 32 - *Watts and VARs directional power* - To limit the flow of energy to the Authority system when required.
    g. 50 - *Instantaneous overcurrent*
    h. 51 - *Time-delay overcurrent*
9. For DGs with a capacity of less than 500 kW, the Authority accepts the protection functions integrated into the inverters, provided that they have been approved and these provide the minimum functions required for overvoltage, undervoltage, overfrequency, underfrequency, and short-circuit current protection. The Authority may require additional equipment if it determines that the design of the DG and the interconnection of the DG with its system may cause the protection functions provided by the inverter to be insufficient to ensure the safety and reliability of the interconnection.

10. During the plan endorsement process, the Authority's Electric System Protection Branch will evaluate the proposed protection and control design and may require or add other requirements, or amend existing requirements, when the impact of the DG on the Authority's electric distribution system so requires. In these cases, the Authority and the client will discuss alternatives to mitigate the impact to the system by reviewing the design, adjusting the functions and adding other protection functions. The customer is responsible for making the necessary changes in the design of the protection and control system, associated with the interconnection of the DG, resulting from these discussions. The alternatives selected shall comply with the purpose of these Regulations to promote the development of renewable sources of energy, while maintaining the security and reliability of the service provided to the Authority's customers. Once the client submits the modifications to the protection system plans, the Authority will evaluate and issue its approval or denial within a period of five working days.

11. The GD protection and control system has to detect electrical disturbances occurring in the Authority's electrical system. The DG must be disconnected from the distribution circuit as soon as an electrical disturbance occurs, before the first operation of reclosing the circuit protection. Once disconnected from the Authority's distribution system, the DG will measure the voltage and frequency of the Authority's system at the interconnection point. The GD will be reconnected once the voltage and frequency remain at adequate levels for at least five minutes. The inverter programming will be adjusted so that the DG is disconnected according to the voltage and frequency variations criteria presented below:

    a. In the event of variations in the magnitude of the voltage of the electrical service at the interconnection point, the DG will be disconnected from the Authority's distribution system, as established in Table 3.

    b. In the event of variations in frequency, the DG will be disconnected from the Authority's distribution system, as established in Table 4. The GD programming must include, at least, four independent functions (two low frequency and two over frequency) that allow it to comply with the frequency ranges and shutdown times, as detailed in the table. These criteria take into account the particular characteristics of the Authority's electricity system.

    In cases of GD of 500 kW or more, the protection relay will be programmed to detect the voltage and frequency disturbances detailed above. The voltage and frequency protection functions that are programmed in these relays will have a delay time in addition to the scheduled shutdown time in the inverters detailed in Tables 3 and 4. In this way, the protection and control system will allow the inverters to act in the event of electrical disturbances before the protection relay sends the disconnect signal to the DG switch. The client is responsible for notifying

the additional delay time proposed in the coordination study submitted for the Authority's assessment.

12. The DG must be equipped with protective devices and programming designed to prevent it from energizing a de-energized Authority circuit. If an electric island situation arises, the DG has to be disconnected from the Authority's system in less than two seconds.

13. By order of the Energy Commission, the Authority does not require the installation of an external manual switch for inverter-based DG systems with a capacity of up to 300kW. However, according to the NEC, every DG installation is required to provide a means of disconnection on the AC voltage side of the inverter. On the other hand, in the case of DG systems with a capacity greater than 300 kW, an external manual switch is required. The features required for this manual switch are as follows:

    a. Be visible and accessible to the Authority's personnel twenty-four hours a day, without the need for the presence of the customer or equipment operator. If it is not accessible to the Authority's personnel, the customer will be obliged to allow and facilitate access to the switch, in prior coordination with the Authority's personnel as required by the Authority.

    b. Be appropriate for the voltage levels of the installation.

    c. Be able to interrupt the current to which you will be exposed. It is permitted to install a manual switch that cannot operate under load, provided that the switch is installed in combination with a circuit breaker or other device that can interrupt the current.

    d. Have provision to ensure that it remains open or closed with an Authority lock.

    e. Be able to open all poles simultaneously.

    f. Be able to withstand inclement weather (*weatherproof*).

    g. Be labeled with the phrase: "CAUTION – GD MANUAL SWITCH. DO NOT TOUCH THE TERMINALS AT BOTH ENDS; THEY COULD BE ENERGIZED." In addition, you have to identify the open and closed positions.

    The manual switch connection is located so that, when operated, it only disconnects the customer's GD from the Authority's system, without interrupting the Authority's electrical service to the customer. If this connection is not possible, an alternate connection is allowed (see Appendix D) in which the Authority's electrical service would be interrupted.

14. Customers installing GD with a capacity of up to 300 kW have the option of installing an external manual switch that meets the characteristics detailed in the previous paragraph. This would prevent the electricity service provided by the Authority from having to be interrupted in the event that it is necessary to disconnect the DG for any of the reasons included in these Regulations.

Table 3. Disconnection due to Voltage Variations in the Distribution System*

Required Programming in the GD		
Voltage Range (% of Rated Voltage)	**Disconnect Time(s)**	**Adjustable Shutdown Time up to a Value in Seconds of:**
V < 45	0.16	0.16
45 ≤ V < 60	1	11
60 ≤ V < 88	2	21
110 < V < 120	1	13
V ≥ 120	0.16	0.16
*Note: These values must be programmed on the inverter or protective equipment prior to the GD testing process. The Authority may require other disconnection times or voltage ranges, as set forth in the current IEEE 1547 standard.		

Table 4. Frequency Variation Shutdown in the Distribution System*

Required Programming in the GD		
Function	**Frequency (Hz)**	**Time of Disconnection (s)**
Low Frequency 1	f < 57.5	10
Low Frequency 2	57.5 ≤ f < 59.2	300
About Frequency 1	60.5 < f ≤ 61.5	300
Over Frequency 2	f > 61.5	10
*Note: These values must be programmed on the inverter or protective equipment prior to the GD testing process. The Authority may require other disconnection times or frequency ranges, as set forth in the current IEEE 1547 standard.		

Article C: *Power Quality*

1. The customer is responsible for ensuring that the DG complies with the electrical signal quality requirements specified in the IEEE 519, IEEE 1453, IEEE 1159, IEEE 1547, UL 1741 and other applicable standards.
2. The interconnection of the DG may not cause degradation in the signal quality of the Authority's electrical system. Examples of electrical signal quality degradation include, but are not limited to: voltage imbalance and regulation, harmonic distortion, *flicker*, *voltage sags*, interruptions, ferroressonance, and transient phenomena. Should these events arise, the DG must be disconnected from the

Authority's electrical system until the customer makes the necessary modifications to mitigate the electrical signal quality problems caused by its DG. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the customer.

3. If the DG uses the Authority's system for start-up, it may not cause voltage drops on the primary side of the interconnection greater than 3%.
4. The Authority may specify the configuration of the connection of the windings on the primary and secondary side of the three-phase DG interconnection transformer, to ensure that the power does not degrade the quality of the electrical service.
5. The customer is responsible for making and defraying the costs of the modifications necessary to mitigate the electrical signal quality problems caused by its DG to the Authority's electric system or to other customers and to comply with the requirements set forth in the standards detailed above.
6. In the event that the customer's DG includes induction generators, the customer is responsible for providing reactive power compensation at start-up to control abrupt changes in voltage. The reactive power compensation strategy must be implemented through technologies that guarantee the absence of jumps (discontinuities), that is, maintain continuous control of the reactive power.
7. The customer is responsible for ensuring that the injections of voltage and current with harmonic content do not increase thermal heating in the transformers and reactors, nor can they cause failures, overloads or malfunctions of equipment and resonant voltages, among others, to the Authority's electrical system. They also cannot interfere with telecommunication or signal circuits and systems.
8. For synchronous, induction or wind turbine generators, whose protection and control and interconnection systems consist of equipment and devices that are not certified to IEEE 1547 and UL 1741 standards,

   the customer is responsible for conducting electrical signal quality studies (harmonic distortion, voltage imbalance, *voltage flicker*, etc.) at the DG interconnection point and at the Authority's power delivery point. During the project inspection process, the client has to submit the reports of these studies, which certify that the DG complies with the IEEE 1547, IEEE 519 and other applicable electrical industry standards.
9. For DGs with a capacity from 500 kW to 1 MW, the Commission may require the necessary reliability studies.

Article D: Measurement

1. The DG is connected to the electric distribution system through the Authority's metering equipment at the customer's premises.

2. The Authority has to configure the existing meter with the bidirectional energy reading and historical load profile functions, or replace the existing one with one with those functions, as the case may be. The Authority shall replace or configure the existing meter in twenty business days or less from the endorsement letter, in the case of DGs with a capacity of 10 kW or less, or from the endorsement of the plans for DG projects with a capacity greater than 10 kW or that require a building permit. This is essential for conducting regular audits and recording the energy delivered to the Authority's electric system and the energy received by the customer.

3. For customers with existing electrical installations, the meter must be in an accessible place and, if it is not, the customer will be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be done remotely. Physical access to the meter will not be a requirement at any stage of the DG interconnection process. Therefore, the Authority will not reject any request, deny any endorsement or require the relocation of an existing meter, with the exception of those cases where its location does not meet the safety standards established by the NEC in force.

4. The minimum meter characteristics required that the Authority installs for customers who interconnect GD with their electric distribution system are as follows:

   a. For customers connected at the secondary distribution voltage level:

      1) Be fully electronic (*solid state electronic meter*).
      2) Have bidirectional measurement, with separate readings of energy received and delivered.
      3) Have memory capacity to record consumption at one-hour intervals with a minimum of two memory channels, kWh delivered and kWh received.
      4) Be able to communicate through the Authority's remote measurement system.

   b. For customers connected at the primary distribution voltage level:

      1) They are energized via CT and VT with metering *accuracy class*.
      2) Be fully electronic (*solid state electronic meter*).
      3) Have measurement in four quadrants, measuring real and reactive energy, received and delivered.
      4) Have the memory capacity to record a minimum of sixty days of consumption at fifteen-minute intervals, with a minimum of seven memory channels recording: kWh delivered, kVARh delivered, kWh received, kVARh received, and square volt hours for all three phases.
      5) Be able to communicate through the Authority's remote measurement system.

5. The Authority is responsible for maintaining the meter and the CTs and VTs.

6. The Authority may modify the requirements of the metering equipment in accordance with the future operational needs of the enterprise and the capacity of the customer's DG.

Article E: DG Testing, Modifications, and Maintenance

1. Acceptance Testing

a. Prior to operating in parallel with the Authority's electrical distribution system, the customer or its authorized representative must test all components related to the interconnection in accordance with applicable codes, standards, and manufacturer's recommendations. They are the responsibility of the customer and must be certified by a licensed and collegiate electrical engineer, through the document Certification of Tests for Distributed Generation Systems (DG) to Interconnect with the PREPA Electric Distribution System, which is available on the Authority's website.

b. In the case of projects with a capacity of 10 kW or less, the customer or its authorized contractor must notify electronically the Inspection Office of the region where the DG is installed, the date for acceptance testing, at least ten working days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests performed, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated, interrupt, stop, postpone, condition or otherwise hinder the operation of the photovoltaic DG system in question.

c. In the case of projects with a capacity greater than 10kW or that do not qualify for the expedited process*,* the client or its authorized contractor has to notify electronically the Inspection Office of the region where the DG will be installed, the start of construction. If the website is not available, the client will notify by means of the Notification of Commencement of Construction document (See Appendix E). After the system is installed, it will notify the date to carry out the acceptance tests, at least ten working days in advance. If the website is not available, the customer will notify through the document Notification of Tests of the Distributed Generation System, available on the Authority's website (www.aeepr.com/medicionneta). The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

d. The tests of the GD equipment are valid for six months. If the GD is not energized in this period, the tests will have to be repeated.

e. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the customer of the condition of the operation or installation of the equipment.

2. DG In-Service Testing and Maintenance

a. Maintenance: During the term of the Agreement, the customer is responsible for operating, maintaining, and repairing all equipment that makes up the GD, in accordance with the manufacturer's instructions, to ensure that it complies with applicable electrical industry standards. In addition, it has to test all components related to the interconnection according to the applicable codes, standards and the manufacturer's recommendations. The Authority reserves the right to require evidence of maintenance and test reports from the GD.

b. Periodic Tests:

1) Every five years, the customer is required to perform the required periodic DG testing, as described in the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System (see Appendix F).

2) The customer or its authorized contractor must notify the Regional Inspection Office electronically of the date for testing at least ten business days in advance. If the online portal is not available, the customer will notify through the Notification of Tests of the Distributed Generation System, available on the Authority's Internet portal (www.aeepr.com/medicionneta).

3) The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

4) The client will provide the Authority with the report of the periodic tests, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System, with the results, digitally signed by a licensed and collegiate electrical engineer.

5) The Authority will not require periodic testing of inverter-based DG systems with a capacity of up to 25 kW, except for tests recommended by the manufacturer or by the best practices of the electricity industry.

c. The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity grid, in prior coordination with the

customer, in order to verify that they have not been modified without their authorization.

d. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the customer of the condition of the operation or installation of the equipment.

3. Changes or Modifications to the GD

a. In these Regulations, modification consists of any management that transforms, amends, varies, alters, reforms or innovates the existing installation or any of its parts.

b. The interconnection of the DG is conditioned on its failure to cause voltage or frequency fluctuations outside of the Authority's acceptable parameters, *flicker*, *voltage sags*, interruptions, transient phenomena, problems with the quality of the electrical signal, or any unsafe conditions, which may affect customers in the area, other DGs, or the Authority's system. If at any time the DG is found to cause any of these conditions, the Authority may require the customer to modify its design, install the necessary protection and control equipment, limit the operation of the DG, or disconnect it from the Authority's system until the situation is corrected. Otherwise, the Authority will disconnect the DG until it is corrected. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the customer.

c. The customer must electronically notify and provide technical documentation of the equipment to the Distribution Engineering Department of the region where the GD is located before making any modifications to it. The Authority will evaluate the changes to the GD and determine the corresponding action.

d. If the changes or modifications are to increase the AC generation capacity at the facility or in the type of technology, the customer has to submit a new interconnection assessment request before proceeding to make the change. The Authority will determine whether the equipment can continue to operate under the current Agreement.

e. If the customer modifies the DG without the consent of the Authority, the Authority shall have the right to preemptively disconnect the DG until it verifies that the modifications do not jeopardize the safety and reliability of the Authority's electrical distribution system. Once the Authority evaluates and approves the proposed changes or modifications, the customer's GD will be reconnected. In these cases, the Authority may inform the governmental entity designated by the Commonwealth of Puerto Rico to

certify the installers of these systems, the College of Engineers and Land Surveyors or the College of Electrical Experts, as the case may be, and the Secretary of Justice for the corresponding action. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the customer.

f. If the inverter is replaced, even if it is of the same capacity, operational characteristics and technical specifications as the previous one, the certified results of the acceptance tests of the same must be delivered to the Authority.

SECTION VII: NET METERING PROGRAMS

Customers who apply for the interconnection of a renewable energy DG with the Authority's electric system have the option to participate in one of the available net metering programs. These are the Basic Net Metering Program, the Aggregate Net Metering Program, and the Shared Net Metering Program. Participation in any of these programs is requested together with the application for interconnection of the DG. The interconnection of the DG must comply with all the technical requirements and provisions established in this Regulation.

Article A: Basic Net Metering Program

In the Basic Net Metering Program, the DG must have a maximum installed AC power capacity of 25 kW for residential customers and 1 MW for commercial, government, industrial, agricultural, educational and hospital medical customers.

Article B: *Aggregate Net Metering Program*

1. The Aggregate Net Metering Program applies exclusively to government entities and non-profit university institutions.
2. For customers serving distribution voltages, the maximum installed AC power capacity of the DG must be 1 MW.
3. All service agreements under this Program must be included in the same account.
4. All properties must have electricity service at the same voltage level, depending on the rate to which the client is subscribed, which can be primary distribution or secondary distribution.
5. The customer's properties to which the energy is to be credited must be located in the same location where the DG is installed or in other locations that are interconnected to the same power line at a distance of no more than two miles from the DG.

6. The Agreement to interconnect the DG and participate in this program will be effective thirty days after the entry into force of the first tariff revision established in Law 57, *supra,* as amended.

Article C: *Shared Net Metering Program*

1. The Net Shared Metering Program applies exclusively to residential and commercial customers with primary and secondary distribution voltage services that are under the horizontal property regime, such as residential, commercial or mixed-use condominiums. This Program also applies to public housing units administered by the Department of Housing.
2. The properties of the customers to whom the energy is to be credited must be located in the same locality where the DG is installed.
3. All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. The delivery point can be the interconnection transformer in secondary distribution systems or the private substation in primary distribution systems.
4. For residential cases, the maximum capacity of the DG will be 25 kW per participating customer or the capacity of the interconnection transformer, whichever is less, up to a maximum of 1 MW.
5. For commercial or mixed-use cases, the maximum capacity of the DG shall be equal to the capacity of the interconnection transformer, up to a maximum of 1 MW.
6. The owner of the DG has to sign an Agreement to Interconnect Generators with the Electric Power Authority's Electric Distribution System and Participate in the Net Metering Program. The owner of the GD can be the Council of Owners, the Association of Condominiums, the owner of the building or any natural or legal entity with a definition or functions similar to the above.
7. Each participating customer who is not the owner of the DG must sign an Agreement for Participation in the Shared Net Metering Program (see Exhibit I).
8. The Agreement to interconnect the DG and participate in this program will be effective thirty days after the entry into force of the first tariff revision established in Law 57, *supra,* as amended.

Article D: Energy Offsetting for Customers Participating in Net Metering Programs

Compensation for energy consumed and exported by the customer shall be made as described below, except in those cases where any federal law or regulation expressly and specifically mandates otherwise:

1. The energy compensation will be effective at the beginning of the billing period following the installation or configuration of the meter.

2. For each billing period, the Authority shall measure the energy consumed by the customer and the energy exported by the customer to the Authority's electricity distribution system.
3. If, during the billing period, the Authority supplies the customer with more energy than the customer exports, the customer will be charged for his net consumption.
4. If during the billing period, the customer exports more energy than the one supplied by the Authority, the customer will be charged the minimum bill that corresponds to the tariff to which he is covered. The minimum bill is the amount that the Authority charges the customer who does not consume electricity during a billing period. The Authority will compensate the customer for excess energy during the billing period up to a daily maximum of 300 kWh for residential customers and 10 MWh for commercial customers. The energy export credit will be applied to the bill for the next billing period.
5. Any energy export credits accrued by the customer during the previous year that have not been used at the close of the billing period in June of each year will be offset as follows:
    a. The Authority shall use the greater of ten cents per kilowatt-hour or the amount resulting from subtracting from the total price it charges its customers, converted into cents per kilowatt-hour, the adjustment fee, for the purchase of power and fuel.
    b. The Authority will purchase 75% of the surplus from the customer and 25% will be credited to the Department of Education's electric bill.
6. For customers who participate in the Net Aggregate Metering Program, in addition to the provisions of the previous paragraphs, the following applies:
    a. Properties located in the same locality – The maximum amount of energy to be credited to all service agreements added within the locality where the DG is located is equal to 100% of the consumption of the properties in the locality. This energy will be credited first to the service agreement associated with the DG and the excess will be credited equally to the rest of the service agreements that are in the same account.
    b. Properties located in different locations – The maximum amount of energy to be credited to all aggregated service agreements is equal to 120% of the consumption of the properties in the location where the DG is located. 100% of the consumption of the properties in the locality where the DG is located will be credited and the remaining 20% of the energy production will be credited equally to the service agreements in the other localities that are in the same account.
7. For customers participating in the Shared Net Metering Program, in addition to the provisions of paragraphs 1 to 5 of this Article, 100% of the energy produced by the DG will be credited equally among all participants in this program.

SECTION VIII: GENERAL PUBLIC LIABILITY INSURANCE

A. The client must obtain and maintain in force for the duration of the Settlement, a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

B. Exception - A customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than 300 kW, with the electric distribution system, is exempt from a General Public Liability Insurance policy. In these cases, the client must sign an Agreement for Waiver of Insurance Requirement (see Exhibit G). The customer has the option to electronically sign this agreement through the company's website.

Authority.

C. The General Public Liability policy shall be endorsed as follows:

1. As an additional insured:

Electric Power Authority
Risk Management Office
Section 364267
San Juan, PR 00936-4267

2. An endorsement that includes the Agreement under the cover of contractual liability identifying the Parties to the Agreement.
3. Relief of subrogation in favor of the Authority.
4. Thirty days' notice of cancellation or non-renewal and acknowledgement of receipt to the above address.
5. Violation of any warranty or condition of this policy shall not prejudice the Electric Power Authority's right under such policy.

D. The insurance policy applied for must be submitted in a manner acceptable to the Authority. The customer must provide a certificate of insurance in digital format, originated by an insurance company or agency authorized to conduct business in Puerto Rico, describing the coverage maintained. This certification has to be issued on the *Acord* form, generally used by insurers. In addition, it must include endorsements in digital format.

E. The Authority, within fifteen working days, will evaluate the policy submitted and determine its acceptance. In the event that the policy does not comply with the requirements of the Authority, the Authority shall notify the proponent, within the same period of days, so that he may make the corresponding corrections and submit the policy again to the Authority. Once the client submits the corrected information, the Authority will have a period of five working days to approve said insurance. In the event that the Authority does not notify the client of the approval or corrections corresponding to the insurance within the terms previously indicated, it will be understood that the insurance is approved and it will be presumed that the client complies with all the requirements.

F. This policy must be renewed annually and submitted to the Authority. In the event that this policy renewal requirement is not met, the Authority will immediately cancel the Agreement.

SECTION IX: TERM AND TERMINATION OF AGREEMENT

A. The Agreement is effective on the date it is signed and shall be in effect for as long as the customer maintains an active service contract with the Authority at the location where the GD is located or for such term as may be mutually agreed upon by both the customer and the Authority.

B. Termination of the Agreement may be enforced by, but not limited to, the following:
   1. The customer freely and voluntarily terminates, cancels or transfers his active service contract with the Authority.
   2. Breach of the Agreement by any of the signatory parties.
   3. Both the customer and the Authority agree in writing to terminate the Agreement. In the event that the customer wishes to terminate the Agreement and permanently disconnect the DG from the Authority's electric system, it must notify the Distribution Engineering Department of the region where the DG is installed in writing at least twenty days in advance.
   4. The term of the Agreement was fulfilled and the customer did not request the renewal of the Agreement.
   5. The customer does not comply with the required periodic GD tests every five years.

C. The Authority may terminate, cancel or accelerate the expiration of the Agreement, upon prior notice, in the event that the customer fails to comply with any of its obligations under the Agreement.

D. Once the Agreement is terminated, the customer proceeds to permanently disconnect the DG from the Authority's electricity system to avoid any possibility of its parallel operation in the future. The Authority reserves the right to inspect the customer's premises to verify that the DG is permanently disconnected. After such disconnection, if the customer is interested in reconnecting the DG, he or she must request a new GD evaluation from the Authority.

E. Customers with current DG interconnection agreements and participation in the Net Metering Program, as established in the *Regulations for the Interconnection of Generators with the Electric Distribution System*, filed on August 5, 2008 with the Department of State of Puerto Rico under number 7544, and the *Regulations to Establish the Net* Metering Program, filed on October 7, 2008 with number 7579, must be renewed at the expiration of the same using as a model the corresponding Agreement of those included in these Regulations (see Annex H). Prior to signing the new Agreement, the customer must perform the tests on the DG in accordance with Section VI, Article E, subsection 2, of these Regulations and submit the

certified results thereof to the Inspection Office of the region where the GD is installed.

SECTION X: TRANSITIONAL PROCESS

The Authority shall create a web portal for the electronic filing of documents within 180 days after the approval of Law 133-2016, *supra*, in accordance with the provisions of Article 3 of said Law. As of the implementation of said cyber portal, all the processes of filing, evaluation, endorsement and approval of DG interconnection described in these Regulations will be carried out through it. As a transitory process, the filing and processing of documents will be carried out by email and digital files in PDF format, as detailed in these Regulations.

SECTION XI: PENALTIES

A. Any natural or legal person who violates the provisions of these Regulations or who alters in whole or in part the electrical system or an electrical installation in such a way that it cannot measure its actual consumption, or makes an installation designed to prevent the correct measurement of electricity consumption, shall be penalized with the corresponding administrative sanctions provided for in Laws No. 83 and No. 57. *above*, as amended. The Authority may file complaints or apply administrative sanctions for these violations following the provisions of the Puerto Rico Electric Power Authority's Regulations for the Adjudication of Complaints.

B. The Authority is empowered to investigate matters related to the interconnection of DG with its electricity system and regarding the veracity of the facts expressed in the certifications submitted, inspection reports, if applicable, and regarding the development of the projects; and may take such administrative or judicial action as may be appropriate in accordance with applicable laws.

C. When the Authority determines that any DG facility has been interconnected with its electrical system in violation of applicable laws and regulations, or detects any irregularity, deficiency, omission, or fraud in the certifications submitted, the Authority has the power to impose the administrative penalties set forth in Laws No. 83 and No. 57, *supra*, as amended, to the professional responsible for said violation and to refer him to the College of Engineers and Land Surveyors or the College of Electrical Experts, as the case may be, to the OEPPE and to the Commission for the corresponding action.

SECTION XII: APPELLATE PROCEDURE

The party adversely affected by a determination by the Authority on the interconnection of its DG may request a review appeal before the Puerto Rico Energy Commission, as provided in Act 57, *supra*, as amended, and in the regulations established by the same Commission to govern these processes.

SECTION XIII: UNCONSTITUTIONALITY

The declaration of unconstitutionality of any part of these Regulations by a court of competent jurisdiction does not affect the validity of its remaining provisions.

SECTION XIV: REPEAL

This Regulation cancels and replaces the *Regulations for the Interconnection of Generators with the Electric Distribution System,* filed with the Department of State of Puerto Rico, on August 5, 2008, under number 7544; and the *Regulations for the Establishment of the Net Metering Program,* filed on October 7, 2008, with number 7579. In addition, it supersedes any provision contained in any previous regulation that is contrary to the provisions of these Regulations.

SECTION XV: VALIDITY

These Regulations enter into force thirty days after their filing with the Department of State of Puerto Rico, in accordance with the provisions of Act No. 170, *supra*, as amended.

SECTION XVI: APPROVAL

The Governing Board of the Electric Power Authority approved these Regulations through its Resolution No. _____, from 4285 10 diciembre de 2015.

Javier A. Quintana Méndez
Director Ejecutivo
Autoridad de Energía Eléctrica
Fecha: 6 de febrero de 2017

ANNEX TO:

INTERCONNECT ASSESSMENT REQUESTS
GENERATORS WITH THE
ELECTRICAL DISTRIBUTION

ANNEX TO

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

APPLICATION FOR EVALUATION TO INTERCONNECT GENERATORS BASED ON INVERTERS WITH A CAPACITY OF 10 KW OR LESS WITH THE ELECTRICAL DISTRIBUTION SYSTEM

☐ New Installation ☐ Capacity Increase

This application applies only to generators that operate in parallel with PREPA's electric distribution system.

Date _____ No. EEE _____

A – Application Fee

The non-refundable fee to process this application is $100. Evidence of payment must accompany this request.

B – Customer Information (holder of the account with the EEA)

Fax:
Name: _____

Phone: _____ Mobile: _____

_____ Email: _____

Postal address: _____

_____

Client's relationship with the property where the GD will be installed:

☐ Owner ☐ Co-owner ☐ Rental ☐ Other: _____

If you are not the owner, you must include a document authorizing the installation of the system on the property.

C – Designer Information

Name: _____ Professional license: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

D – Installer Information

Name: _____ Professional license: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

E – Location of the Distributed Generation System

Physical Address: _____

_____

_____ Meter Number: _____

EEE Account Number:

Town ID: _____

Note: Participants in the Net Shared Metering Program will provide account numbers and meters in an additional document. Page 1 of 2

F – Information on the Distributed Generation System

Type of Technology

☐ Photovoltaic ☐ Wind ☐ Microturbine ☐ Fuel cell ☐ Biomass

☐ Internal combustion ☐ Hydro ☐ Steam ☐ Other (please specify): _____

Generator Data (photovoltaic modules, wind turbine, microturbine, etc.)

1- Manufacturer: _____ Model: _____

Capacity: _____ Quantity: _____ Certifying entity: _____

2- Manufacturer: Model: _____ _____

Capacity: _____ Quantity: _____ Certifying entity: _____

Total DC Capacity: _____ Existing capacity, if applicable: _____

Investor Data

Is Inverter UL1741 certified?: ☐ Yes ☐ No

Note: Inverters that are not certified cannot be installed in Puerto Rico.

Is Inverter on the list of equipment approved by PREPA?: ☐ Yes ☐ No

Note: For investors who are not listed, you must submit the technical documentation of the equipment with this application.

Connection: ☐ Single-phase ☐ Three-phase

1- Manufacturer: _____ Model: _____

Capacity: _____ Quantity: _____ Certifying entity: _____

Interconnect voltage: _____ Rated Current: _____

Power Factor Range: Minimum _____ Maximum _____

2- Manufacturer: _____ Model: _____

Capacity: _____ Quantity: _____ Certifying entity: _____

Interconnect voltage: _____ Rated Current: _____ T

Power Factor Range: Minimum _____ Maximum _____

Total AC Capacity: _____ Existing capacity, if applicable: _____

G – Net Metering Programs
(Applies only to systems based on renewable energy sources)

☐ Basic

☐ Added: A list must be attached with the numbers of the participating meters and their location.

☐ Shared: A list of participants, their account and meter numbers must be attached.

☐ None

Note: If you are interested in participating in any of the Net Metering Programs, you must comply with the provisions of Law No. 114 of August 16, 2007, as amended, and the regulations in force.

H - Client's Signature

I certify that the information provided in this application is correct and that I was guided by the process for the interconnection of the generator with PREPA's electrical distribution system. Evidence of guidance and all documents required by the Regulations must accompany this application.

Client's Signature: _____ Date: _____

EEA 15.2-955
Rev. 01/17

ANNEX TO

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

APPLICATION FOR EVALUATION TO INTERCONNECT GENERATORS BASED ON INVERTERS WITH A CAPACITY GREATER THAN 10 KW UP TO 1 MW WITH THE ELECTRICAL DISTRIBUTION SYSTEM

☐ New Installation ☐ Capacity Increase

This application applies only to generators that operate in parallel with PREPA's electric distribution system.

Date _____ No. EEE _____

A – Application Fee

The non-refundable fee to process this application is $500. Evidence of payment must accompany this request.

B – Customer Information (holder of the account with the EEA)

Fax:
Name: _____

Phone: _____ Mobile: _____

_____ Email: _____

Postal address: _____

_____

Client's relationship with the property where the GD will be installed:

☐ Owner ☐ Co-owner ☐ Rental ☐ Other: _____

If you are not the owner, you must include a document authorizing the installation of the system on the property.

C – Designer Information

Name: _____ Professional license: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

D – Installer Information

Name: _____ Professional license: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

E – Location of the Distributed Generation System

Physical Address:

_____

EEE _____ Account _____ Number:

_____ Meter Number: _____

Town ID: _____

Note: Participants in the Net Shared Metering Program will provide account numbers and meters in an additional document. Page 1 of 3

F – Information on the Distributed Generation System

Type of Technology

☐ Photovoltaic ☐ Wind ☐ Microturbine ☐ Fuel cell ☐ Biomass

☐ Internal combustion ☐ Hydro ☐ Steam ☐ Other (please specify):

_____

Generator Data (photovoltaic modules, wind turbine, microturbine, etc.)

Manufacturer: _____ _____

Model: _____ Quantity: _____ Certifying entity: _____

Capacity: _____

Maximum Power (Pmax):

Open Circuit Voltage (Voc):

_____

Voltage at maximum power (Vpm):

_____

Short Circuit Current (Isc):

_____

Current at maximum power (Ipm): _____

Maximum System Voltage: _____

Maximum power tolerance: _____ Existing capacity, if applicable: _____

Total DC Capacity:

Note: If there is more than one generator, you must add an additional document with the required information.

Investor Data

Is Inverter UL1741 certified?: ☐ Yes ☐ No

Note: Inverters that are not certified cannot be installed in Puerto Rico.

Is Inverter on the list of equipment approved by PREPA?: ☐ Yes ☐ No

Note: For investors who are not listed, you must submit the technical documentation of the equipment with this application.

Connection: ☐ Single-phase ☐ Three-phase Manufacturer: Model: _____

Capacity: _____ Quantity: _____ Certifying entity: _____

Rated Operating Voltage (VAC): Operating Voltage Range (VAC): _____

Input Operating Voltage (VAC) Range: _____

Maximum Continuous Power Output (AC): _____

Rated Current (A): _____

Maximum Continuous Current Output (A): _____

Maximum Input Short Circuit Current (A): _____

Maximum Output Fault Current (A): _____

Energy Efficiency (ECC): _____

Maximum Output Overcurrent Protection (A): _____

Output Power Factor: _____ ☐ Ahead ☐ Late

Power Factor Range: _____

Operating Frequency Range: _____

Switching Type: _____

% Harmonic Distortion: _____

Photovoltaic System (VDC) Starting Voltage: _____

Does the equipment comply with the disconnection times in the event of variations in the magnitude of the voltage and frequency at the interconnection point, as established in the Regulations?

☐ Yes ☐ No

Total AC Capacity: _____ Existing capacity, if applicable: _____

Note: If there is more than one investor, you must add an additional document with the required information.

G – Net Metering Programs
(Applies only to systems based on renewable energy sources)

☐ Basic

☐ Added: A list must be attached with the numbers of the participating meters and their location.

☐ Shared: A list of participants, their account and meter numbers must be attached.

☐ None

Note: If you are interested in participating in any of the Net Metering Programs, you must comply with the provisions of Law No. 114 of August 16, 2007, as amended, and the regulations in force.

H - Client's Signature

I certify that the information provided in this application is correct and that I was guided by the process for the interconnection of the generator with PREPA's electrical distribution system. Evidence of guidance and all documents required by the Regulations must accompany this application.

Client's Signature: _____ Date: _____

EEE 15.2-956

Rev. 01/17

ANNEX TO

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

REQUEST FOR EVALUATION THROUGH THE STUDY PROCESS FOR INTERCONNECT GENERATORS WITH THE ELECTRICAL DISTRIBUTION SYSTEM

☐ New Installation ☐ Capacity Increase

This application applies to generators that use non-inverter-based technologies and operate in parallel with PREPA's electrical distribution system.

Date _____ No. EEE _____

A – Application Fee

The non-refundable fee to process this application is $500. Evidence of payment must accompany this request.

B – Customer Information (holder of the account with the EEA)

Fax:
Name: _____

Phone: _____ Mobile: _____

_____ Email: _____

Postal address: _____

_____

Client's relationship with the property where the GD will be installed:

☐ Owner ☐ Co-owner ☐ Rental ☐ Other: _____

If you are not the owner, you must include a document authorizing the installation of the system on the property.

C – Designer Information

Name: _____ Professional Degree: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

D – Installer Information

Name: _____ Professional Degree: _____

Company: _____ Email: _____

Phone: _____ Fax: _____

Postal address: _____

_____

E – Location of the Distributed Generation System

Physical Address: _____

_____

EEE Account Number: _____ Meter Number: _____

Locality ID: Page 1 of 3

Evaluation Request

F – Information on the Distributed Generation System

Type of Technology

☐ Microturbine ☐ Hydro ☐ Steam ☐ Other (please specify): _____

Generator Data

Manufacturer: Model: _____

Capacity: _____ Quantity: _____ Certifying entity: _____

G – Additional Information

Characteristic Data of Rotational Generators (Synchronous and Induction):

kVA Base: _____ Synchronous Reactance, Xd: _____

Transient reactance, X'_d: _____ Sub-transient reactance, X''_d: _____

Negative sequence reactance, X2: _____ Zero sequence reactance, X0: _____

Additional Feature Data for Induction Generators:

Design Letter (NEMA): _____

Base kVA: _____ Excitation Current: _____

Field Voltage: _____ Field Stream: _____

Rotor resistance, Rr: _____ Stator resistance, Rs: _____

Rotor reactance, X_r: _____ Stator reactance, X_s: _____

Magnetization reactance, Xm: _____ Short-circuit reactance, X_d: _____

Does the generator need power from the Authority to start operation? ☐ Yes ☐ No

If yes, indicate starting current: _____

Generator Short-Circuit Current Contribution:

Single-phase: _____ Symmetrical three-phase: _____

Interconnection Equipment:

1) Does the interconnect transformer belong to the customer? ☐ Yes ☐ No

If yes, please indicate the following:

Capacity: _____ Primary/Secondary Voltages _____

Transformer bank: ☐ Single phase ☐ Three-phase

kVA Base: _____ Impedance: _____

Provide model and capacity of transformer fuses and arresters.

Fuses: _____

Lightning rods: _____

2) Interconnect switch:

Manufacturer: _____ Model: _____

Rated Capacity: _____

Interruptive capacity: _____

BIL:

Protection:

Function	Manufacturer	Model	Catalog Number	Available Adjustment Range	Proposed Adjustment
Overvoltage (59/59G)					
Low Voltage (27)					
Overfrequency (81O)					
Low frequency (81U)					
Synchronism (25)					
Directional Power (32)					
Negative Current Sequence (46)					
Instantaneous Overcurrent (50)					
Time-Delayed Overcurrent (51)					

Note: Include copy of proposed time-overcurrent coordination curves.

Manual Switch:

Manufacturer: _____ Model: _____

Capacity: _____

Protective CT and VT information (Include additional sheets if needed):

Current Transformer (CT)

Manufacturer: _____ Model:

Accuracy: _____ Lap Ratio:

Voltage Transformer (VT)

Manufacturer: Model: Accuracy: _____ Lap Ratio:

I - Client's Signature

I certify that the information provided in this application is correct and that I was guided by the process for the interconnection of the generator with PREPA's electrical distribution system. Evidence of guidance and all documents required by the Regulations must accompany this application.

Client's Signature: _____ Date: _____

01/17 COMMONWEALTH OF PUERTO RICO

PUERTO RICO ELECTRIC POWER AUTHORITY

ANNEX B

CONFIRMATION OF CUSTOMER GUIDANCE ON THE PROCESS ESTABLISHED BY THE AUTHORITY FOR THE INTERCONNECTION OF THE GD

I, _____, a customer of the Electric Power Authority (Authority) with
Name and Surname

account number _____, I certify that _____,
Certified installer hired by me to develop the distributed generation (DG) system project described below, guided me on:

1. The process of DG interconnection and participation in the net metering programs established in the (check the applicable regulation):

   Regulations for Interconnecting Generators with the Authority's Electricity Distribution System and Participating in Net Metering Programs.

   Regulations for Interconnecting Generators with the Transmission or Subtransmission System Electricity Authority and Participate in Net Metering Programs.

2. Compliance with the technical requirements established in the Regulation identified above.
3. The customer is responsible for signing a DG interconnection agreement and participation in the net metering programs.
4. If it is necessary to disconnect the DG in those installations of 300 kW or less in which the customer chooses not to install a manual switch, it will be done from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the customer. In these cases, the customer is solely responsible for damages and relieves the Authority of all liability for any eventuality resulting in claims as a result of the absence of such manual switch.

Project Name: _____

No. PREPA: _____ Capacity (kW): _____

Physical Direction of the Project: _____

Client's Signature: _____

Address: _____

Date: _____

ANNEX C

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AFFIDAVIT OF PROPERTY OWNER(S)

I (We), _____, of legal age,
Full name and two surnames

_____ and neighbor(s) of _____, _____ declare (declare) under
Marital status People Country oath that:

1. My (Our) personal circumstances are those described above.
2. Since _____ I am/are the owner(s) in full ownership of a property
Date

   Located in:
   _____
   (Specific address of the property including: house number, name of the street, urbanization or road, neighborhood, and municipality)

   _____

   _____.
3. I have (have) leased the property described above to Mrs.

   _____, who maintains the service account on the property
   Full name and two surnames

   _____ with the Puerto Rico Electric Power Authority
   Account number
   (Authority) and locality number (ID) _____.
4. I authorize Mrs. _____, to install, operate and maintain a distributed generation (DG) system on my property, located at the address provided herein, under the provisions of Act 114-2007, Act to Establish the Net Metering Program, as amended, and applicable regulations.
5. I authorize (authorize) the Authority to carry out work or procedures in relation to the installation and operation of this DG, such as the change of meter, according to the powers conferred on it by Law 114-2007 and the applicable regulations.
6. I have (We have) knowledge about Law 114-2007 and other current laws applicable to these systems in Puerto Rico and how the construction of this project, which will be carried out by the private person hired by the lessee of my (our) property and not the Electric Power Authority, may affect the physical structure of the project.
7. I submit (We submit) this Affidavit so that Mrs. _____ can install, operate and maintain a system of

   distributed generation on my (our) property, under Law 114-2007.

By signing this Affidavit, I authorize Mrs. _____ to share this information with the Authority for any use it deems necessary for the services it will provide on my (our) property.

For the record, I sign (we sign) this Affidavit in

_____, Puerto Rico on _____ ____, 20__.

_____ _____

(Full name with both surnames) (Full name with both surnames)

Affidavit No. _____

Sworn and signed before me, by _____, of legal age, _____, and neighbor(s) of _____ whom I know personally whom I identify by means of Driver's License number _____ and _____. In _____, _____, to ___ of _____de 20__.

_____

Notary Public

ANNEX D:

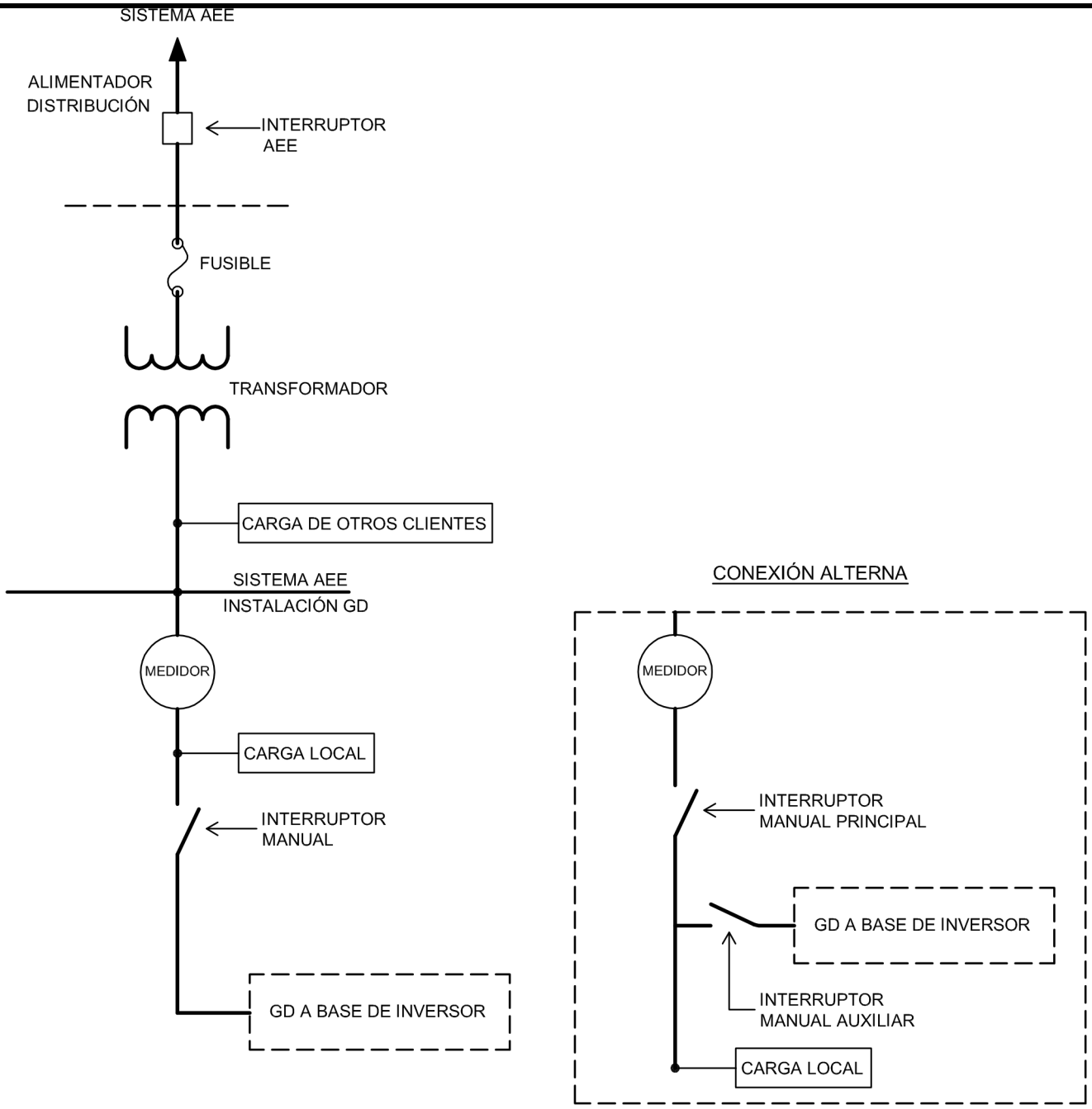
ILLUSTRATING DIAGRAMS OF

PROTECTION SCHEMES

TÍTULO :

DIAGRAMA MONOLINEAL DE PROTECCIÓN PARA LA INTERCONEXIÓN DE UN GD A BASE DE INVERSOR CON EL SISTEMA DE DISTRIBICIÓN SECUNDARIA

Autoridad de Energía Eléctrica

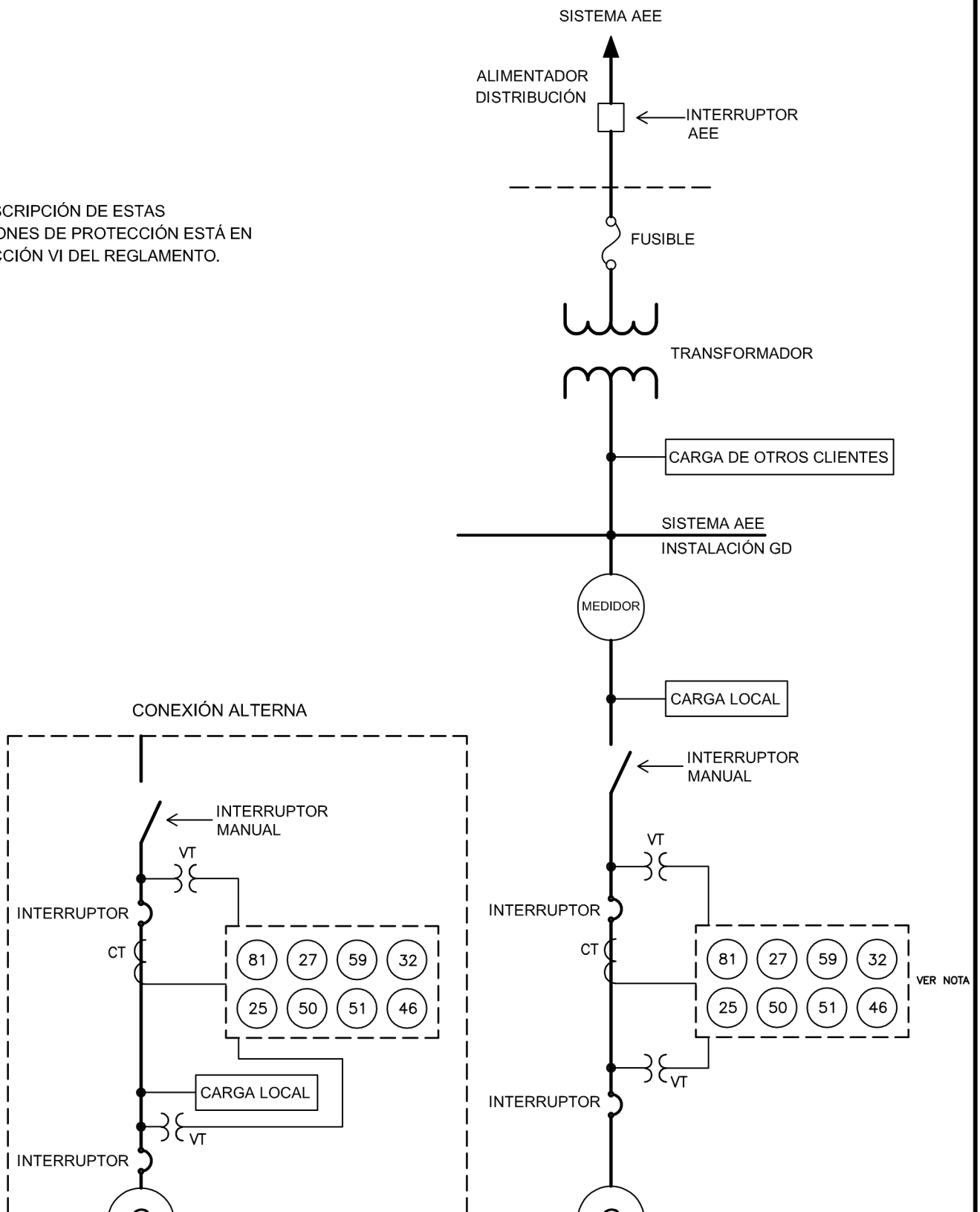

SISTEMA AEE
ALIMENTADOR
DISTRIBUCIÓN
INTERRUPTOR
AEE
FUSIBLE
TRANSFORMADOR
CARGA DE OTROS CLIENTES
SISTEMA AEE
INSTALACIÓN GD
MEDIDOR
CARGA LOCAL
INTERRUPTOR
MANUAL
GD A BASE DE INVERSOR
CONEXIÓN ALTERNA
MEDIDOR
INTERRUPTOR
MANUAL PRINCIPAL
GD A BASE DE INVERSOR
INTERRUPTOR
MANUAL AUXILIAR
CARGA LOCAL

TÍTULO :

DIAGRAMA MONOLINEAL DE PROTECCIÓN PARA LA INTERCONEXIÓN DE UN GD ROTACIONAL CON EL SISTEMA DE DISTRIBUCÓN SECUNDARIA

Autoridad de Energía Eléctrica

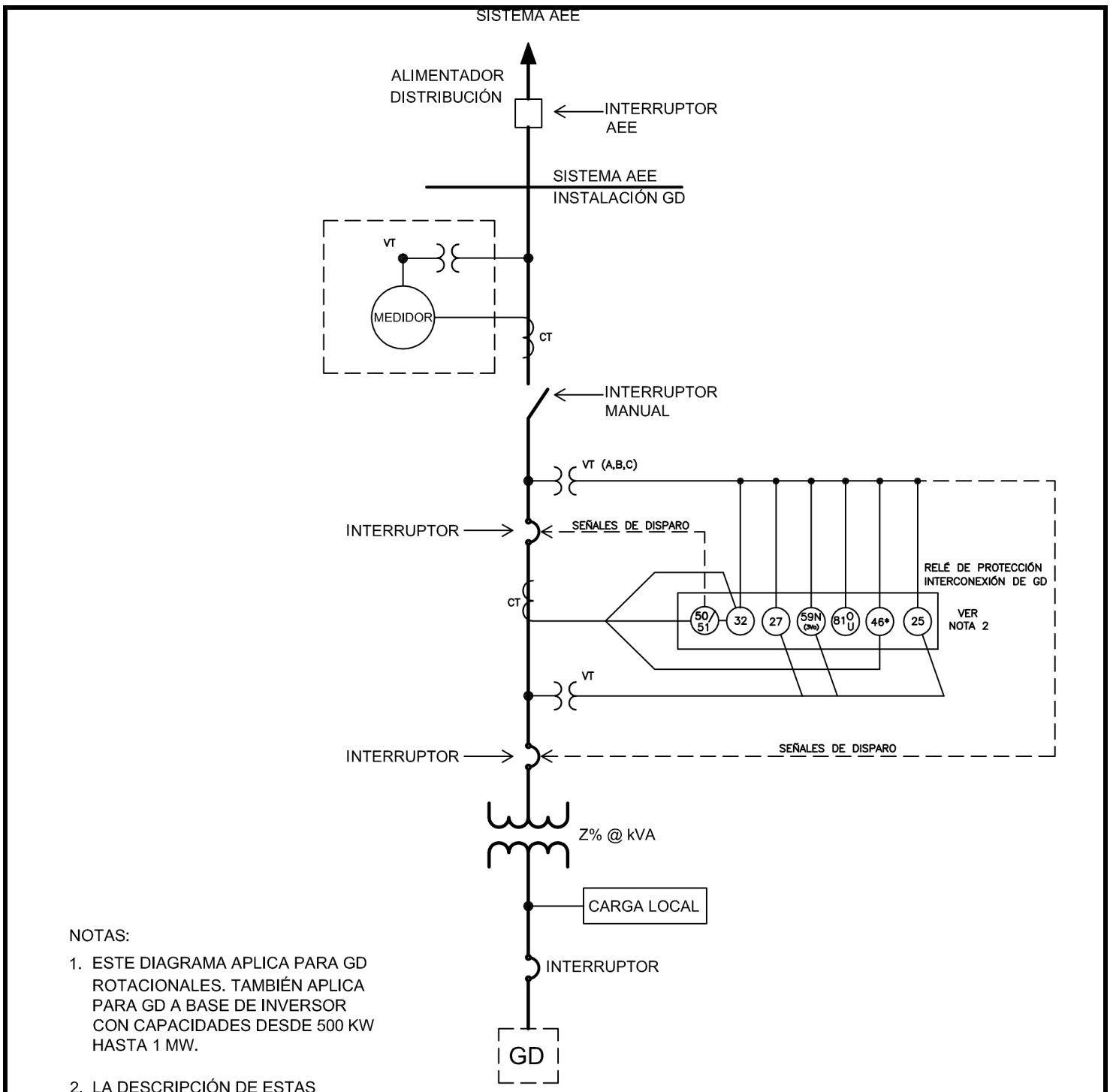
NOTA:
LA DESCRIPCIÓN DE ESTAS FUNCIONES DE PROTECCIÓN ESTÁ EN LA SECCIÓN VI DEL REGLAMENTO.



TÍTULO :

DIAGRAMA MONOLINEAL DE PROTECCIÓN PARA LA INTERCONEXIÓN DE UN GD AL SISTEMA DE DISTRIBUCIÓN PRIMARIA

Autoridad de Energía Eléctrica



NOTAS:

1. ESTE DIAGRAMA APLICA PARA GD ROTACIONALES. TAMBIÉN APLICA PARA GD A BASE DE INVERSOR CON CAPACIDADES DESDE 500 KW HASTA 1 MW.

2. LA DESCRIPCIÓN DE ESTAS FUNCIONES DE PROTECCIÓN ESTÁ EN LA SECCIÓN VI DEL REGLAMENTO.

* DE SER NECESARIO

EEE 15.2-930
Rev. 01/17

ANNEX E

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

PROJECT START NOTIFICATION

Project: _____ No. PREPA: _____ Date: _____

Start date: _____ Notified by: _____

Inspector Data (hired by the project owner):

Name: _____

Professional License: _____

Address: _____

_____

Mobile: _____ Fax: _____ Email: _____

Electrical Contractor Data:

Name: _____

Address: _____

_____

Mobile: _____ Fax: _____ Email: _____

Comments:

_____

_____

_____

Signature: _____ Date: _____

(For official use by PREPA)

Designated PREPA Inspector: _____

Pre-construction meeting date: _____

EEA 15.2-952

Rev. 01/17

ANNEX F

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

❑ CERTIFICATION ❑ RECERTIFICATION

Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System

Customer Name (Account Holder): _____ EEA Number: _____

Project Management:

_____

System Description (See References - Subsection A): _____

_____

GD Installation Verification:	**Complies**
❑ Checking the wiring and grounding, including the wiring of the control systems. (See References - subsection B)	
❑ Ensure that all signs required by the applicable regulations (Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in the Net Metering Program, *National Electrical Code* (NEC), technical communications and other applicable codes) are properly placed.	
❑Correct installation of protection equipment (current transformers - CT and voltage transformers - VT), as applicable.	
❑Provision to install PREPA padlock on the manual switch, if applicable.	
Comments:_____	
Tests to the GD:	
❑Proper operation of relays and protective devices, as applicable.	
❑Adjustments and programming as established in the Regulations. (See References - subsections C and D)	
❑ Proper operation of all equipment together.	
❑Proper DG disconnection operation. (See References - subsection E)	
❑Proper operation of the manual switch, if applicable. (See References - subsection F)	
❑Proper operation of the PREPA power loss disconnection function (anti-islands). (See References - subsection G)	
Comments:_____	
Checking inverter or control system settings (if any original settings were changed in the field):	
❑Check the settings made on the computer screen.	

❑Confirm the position of *jumpers* or other physical adjustments, when applicable.	
Methods used (check those that apply):	
❑Apply waves to the system under test.	
❑Use a power system simulator.	
❑Vary voltage and current settings until disconnected, as applicable.	
❑Injection of signals into voltage and current measurement circuits.	
❑Other Manufacturer's Recommended Method: _____	
Comments:_____ _____	

References:

A. Indicate the number of generators installed and the type of technology (photovoltaic, wind, etc.) as well as the models of the equipment installed. (**Example**: Photovoltaic system con_____inversores, marca_____, modelo_____, number of serie_____ and _____ solar panels, marca_____, modelo____.)
B. Check that the installation is in accordance with the design in the electrical construction plan endorsed by PREPA.
C. The inverters or GD protection equipment shall have the following settings for voltage and frequency protection:

Required Programming in the GD	
Range of Voltage (% of Nominal Voltage)	**Disconnect Time(s)**
V < 45	0.16
45 ≤ V < 60	1
60 ≤ V < 88	2
110 < V < 120	1
V ≥ 120	0.16

Required Programming in the GD*		
Function	**Frequency (Hz)**	**Disconnect Time(s)**
Low Frequency 1	f < 57.5	10
Low Frequency 2	57.5 ≤ f < 59.2	300
About Frequency 1	60.5 < f ≤ 61.5	300
About Frequency 1	f > 61.5	10

*Note: PREPA may require other shutdown times or frequency or voltage ranges, as set forth in the IEEE 1547a-2014 standard, and reserves the right to request that settings for voltage and frequency protection be modified. If so, the inverter or protective equipment must be programmed with the settings requested by PREPA and included in the following tables:

Voltage Range (%VNominal)	Disconne

Frequency (Hz)	Disconnect Time(s)

D. Confirm that the inverter has the setting programmed to maintain the continuous unit power factor at the interconnection point.
E. If the inverter has the function of turning off and disconnecting from the system manually, verify that it operates properly.

F. The manual switch must be able to interrupt the maximum current to which it will be exposed. It must be visible and accessible to PREPA personnel. It must allow the installation of a PREPA lock to ensure the open position. This manual switch can be used to perform the DG shutdown test in the event of loss of PREPA electrical service (anti-islands).

G. To perform the DG disconnection test in the event of loss of PREPA electrical service, the following steps must be followed according to the type of system:

- For single-phase systems:
  1. During normal operation of the equipment, disconnect all phases simultaneously, by means of an appropriate disconnect that is not part of the equipment under test.
  2. **Verify that the equipment does not energize its output terminals connected to PREPA's system.**
  3. Reconnect the equipment and verify that it does not energize its output terminals until 5 minutes have elapsed.
- For three-phase systems:
  1. Disconnect a single phase and verify that the equipment does not energize its output terminals.
  2. Reconnect the phase and repeat this procedure for the other phases.

I, _____, certify that I am a licensed and collegiate electrical engineer, that I took the tests
(name)

detailed in this document and that they comply with the requirements established in the *Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in the Net Metering Programs* and in the applicable standards and codes. In the case of existing or modified DG systems, I also certify that maintenance has been carried out on all the equipment that makes up the system according to the manufacturer's indication.

Signature: _____ Professional Seal:

Name: _____

Company: _____

Phone: _____

Date: _____

ANNEX G:

AGREEMENTS FOR WAIVER OF INSURANCE REQUIREMENT

ANNEX G

Commonwealth of Puerto Rico Puerto Rico Electric Power Authority

Agreement for Waiver of Insurance Requirement - Individual

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, Employer Social Security No. 660-43-3747, represented herein by its Authorized Representative:

_____ (full name), _____ (title).

OF THE OTHER PARTY: _____ (full name), hereinafter referred to as "the Client", of legal age, _____ (marital status), _____ (profession) and resident of _____ (address).

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. The parties signed an Agreement to Interconnect Generators with the Electric Distribution System of the Electric Power Authority and Participate in the Net Metering Programs (Agreement) or an Agreement to Interconnect Generators with the Electric Transmission or Subtransmission System of the Electric Power Authority and Participate in the Net Metering Programs (Agreement), as applicable, on the ___ of _____, _____.
2. The distributed generation (DG) system will be permanently located at _____, with the account number of the _____ Authority.
3. In paragraph seven (General Public Liability Insurance) of the signed Agreement, it is stipulated that the Customer who receives authorization from the Authority to interconnect a DG, based on an inverter with a capacity of less than 300 kW, with its electric system and participates in one of the Net Metering Programs is exempt from a General Public Liability Insurance policy.
4. To receive this waiver of the general public liability insurance requirement, Customer agrees:
   4.1. That it will participate in one of the Net Metering Programs during the term of the Agreement.

4.2. To release and hold harmless and indemnify the Authority for all expenses and costs of any nature (including attorneys' fees) incurred by the Authority arising out of or arising in connection with

claims by third parties for personal injury, including death, or for damage to property or equipment, but whose damages were caused by the Customer's actions or omissions in the performance or failure to perform its obligations under the Agreement. This provision shall survive the termination or expiration of the Agreement.

4.3. To relieve and forever hold harmless the Authority from any and all actions, causes of action, claims and demands for, on or by virtue of any damage, loss or injury to or to our property which has heretofore been or may hereafter be sustained by me as a result of this waiver of the insurance requirement.

5. Although the Authority agrees to waive the requirement of the general public liability insurance policy for the Client who complies with the preceding paragraphs, it recommends that the Client consult with a broker or insurance company to assess the risk of the DG's operation and determine which insurance policy will adequately protect against this risk.
6. The Authority reserves the right to require the insurance and endorsements it deems necessary to ensure adequate protection of both the Customer and the Authority's electrical system.
7. The signing of this Agreement for the Exemption of Insurance Requirement does not alter the other provisions of the Agreement of this project.

NOTIFICATIONS

Any notice required by the Contracting Parties pursuant to this Agreement for the Waiver of Insurance Requirements shall be sent in writing and shall be deemed to have been effective, in due course, upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority

PO Box 364267

San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

Attention: _____
(Postal Address)

_____
(Representative in charge of receiving notifications)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any objection and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority:

_____
(Authorized Representative Name)

_____
(Title)

_____
(Signature)

_____
(Date)

Client:

_____
(Name)

_____
(Signature)

_____
(Date)

ANNEX G

Commonwealth of Puerto Rico Puerto Rico Electric Power Authority

Agreement for Waiver of Insurance Requirement - Corporations

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, Employer Social Security No. 660-43-3747, represented herein by its Authorized Representative:

_____, _____.
(full name) (title)

FROM THE OTHER PARTY: _____, onwards
(name corporation) referred to as "the Client", a corporation organized and existing under the laws of the Commonwealth of Puerto Rico, represented herein by

_____, Older of age, _____,
(full name) (marital status)

_____ and resident of _____, Puerto Rico, who says he is
(profession) (people) duly authorized to act on behalf of the corporation through Corporate Resolution number _____ of _____.
(date)

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. The parties signed an Agreement to Interconnect Generators with the Electric Power Authority's Electric Distribution System and Participate in the Net Metering Programs (Agreement) or an Agreement to Interconnect
   Generators with the Electric Power Authority's Electric Transmission or Sub-Transmission System and Participate in the Net Metering Programs (Agreement), as applicable, on _____ _____.
2. The distributed generation (DG) system will be permanently located at
   _____,
   with the account number of the _____ Authority.
3. In paragraph seven (General Public Liability Insurance) of the signed Agreement, it is stipulated that the Customer who receives authorization from the Authority to interconnect a DG, based on an inverter with a capacity of less than 300 kW, with its electric system and participates in one of the Net Metering Programs is exempt from a General Public Liability Insurance policy.

4. To receive this waiver of the general public liability insurance requirement, Customer agrees:

4.1. That it will participate in one of the Net Metering Programs during the term of the Agreement.

4.2. Release and hold harmless and indemnify the Authority for all expenses and costs of any nature (including attorneys' fees) incurred by the Authority arising out of or arising in connection with claims by third parties for personal injury, including death, or damage to property or equipment, but which damage was caused by the Client's actions or omissions in the performance or failure to perform its obligations under the Agreement. This provision shall survive the termination or expiration of the Agreement.

4.3. To relieve and forever hold harmless the Authority from any and all actions, causes of action, claims and demands for, on or by virtue of any damage, loss or injury to or to our property which has heretofore been or may hereafter be sustained by me as a result of this waiver of the insurance requirement.

5. Although the Authority agrees to waive the requirement of the general public liability insurance policy for the Client who complies with the preceding paragraphs, it recommends that the Client consult with a broker or insurance company to assess the risk of the operation of the GD and determine which insurance policy will adequately protect against this risk.
6. The Authority reserves the right to require the insurance and endorsements it deems necessary to ensure adequate protection of both the Customer and the Authority's electrical system.
7. The signing of this Agreement for the Exemption of Insurance Requirement does not alter the other provisions of the Agreement of this project.

NOTIFICATIONS

Any notice required by the Contracting Parties pursuant to this Agreement for the Waiver of Insurance Requirements shall be sent in writing and shall be deemed to have been effective, in due course, upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

_____
(Postal Address)

_____
(Employer's Social Security (Mailing Address))

Attention: _____
(Representative in charge of receiving notifications)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any objection and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority:

_____
(Authorized Representative Name)

_____
(Title)

_____
(Signature)

_____
(Date)

Client:

_____
(Name Corporation)

_____
(Employer Social Security)

_____
(Authorized Representative Name)

_____
(Signature)

_____
(Date)

ANNEX H:

AGREEMENTS TO INTERCONNECT GENERATORS WITH THE ELECTRICAL DISTRIBUTION SYSTEM OF THE AUTHORITY AND PARTICIPATE IN THE NET METERING PROGRAMS

Agreement to Interconnect Generators with the Electric Power Authority's Electric Distribution System and Participate in Net Metering Programs
INDIVIDUALS

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Authorized Representative: _____, _____, of the
(name) (title)
Department of Distribution Engineering of the _____ region. In those projects where you are interested in participating in one of the Programs of Measurement Net, the Authority also is represented By: _____, _____, of the Office
(name) (title)
Commercial _____.

OF THE OTHER PARTY: _____, hereinafter referred to as "the Customer", Older of age, _____, _____ and Neighbor of
(full name) (marital status) (profession)
_____.
(address)

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. SCOPE OF THE AGREEMENT

The interconnection of the Customer's own generation with the Authority's electric distribution system (the Authority's system) and its voluntary participation in one of the Net Metering Programs, for systems with a capacity of up to one megawatt (1 MW) using renewable sources of energy, shall be in accordance with the provisions of this Agreement and its annexes, which are an essential part of the following terms and conditions:

1.1 The Client intends to build, own, maintain and operate a distributed generation (DG) system, which will operate in parallel with the Authority's system.

1.2 The Client will participate in:

- ☐ Basic Net Metering Program
- ☐ Aggregate Net Metering Program
- ☐ Shared Net Metering Program
- ☐ None

1.3 The Authority previously reviewed the corresponding evaluation request (Application) to interconnect the DG with the Authority's system and participate in one of the Net Metering Programs, if applicable, upon receipt of the _____, with their respective supporting documents. The request
(date)
completed is included as Exhibit 1 and is incorporated into this Agreement.

1.4 If the Client does not own the property where the GD will be installed, he/she must include the Affidavit document of the Property Owner(s), sworn before a notary public, authorizing such installation on his/her property.

1.5 The Customer intends to interconnect the DG with the Authority's system, and the Authority will permit such interconnection subject to the terms and conditions set forth in the following documents: (1) Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in Net Metering Programs (Regulations); (2) Application completed and reviewed by the Authority; (3) Regulations General Terms and Conditions for the Supply of Electric Power, and (4) this Agreement.

1.6 The GD will be permanently located in _____ _____, with the account number of the Authority _____ and accepted the _____ rate. The capacity of the DG is _____ kW AC, as presented in the endorsed plans of the electrical installations, as applicable. The endorsed plans are included as Exhibit 2 and are incorporated into this Agreement.

1.7 The electric service provided under this Agreement shall be ____fásico, at a frequency of 60 Hz and at a voltage of _____ volts.

1.8 This Agreement does not constitute an agreement for the purchase or distribution of Customer's energy. The purchase or distribution of energy and other services that the Customer requires will be established under other contracts or agreements, as applicable.

1.9 The provisions of this Agreement shall not affect other agreements that exist between the Authority and the Client.

2. EFFECTIVE DATE, VALIDITY AND TERMINATION

2.1 This Agreement is effective on the date signed by both Parties and shall be in effect[1]:

☐ as long as the Client maintains a Contract for the Supply of Electric Energy in force with the Authority on the property where the DG is located.

☐ for a period of _____ (___) years from the effective date.

[1] El Cliente tiene la opción de escoger si desea un Acuerdo que permanezca vigente mientras mantenga activo el contrato de servicio de electricidad en el predio donde ubica el GD o si prefiere un término fijo establecido en años, el cual debe ser un mínimo de cinco (5) años.

2.2 The metering and crediting of the energy consumed and exported by the Customer in the applicable Net Metering Program will be effective at the beginning of the billing period following the installation or configuration of the meter. The effective date will be _____.
(date)

2.3 This Agreement shall terminate: (a) by mutual agreement of the Parties, (b) if replaced by another Agreement, (c) if Customer's electric service is terminated or transferred, (d) if Customer fails to comply with any of the periodic DG tests, whether required by the Authority every five (5) years or recommended by the manufacturer, as applicable, or (e) either Party is in breach of this Agreement as set forth in Article 13 hereof.

2.4 The Authority may, at any time, terminate, cancel or accelerate the expiration of this Agreement, upon prior notice, in the event that the Client fails to perform any of its obligations under this Agreement. The exercise of the right to terminate, cancel or terminate this Agreement shall not be construed as a waiver by the Authority of any additional remedies provided by this Agreement or by law for cases of delay or failure to perform Client's contractual obligations.

2.5 The Client may maintain the validity of this Agreement or renew it for additional periods, if applicable, for which purpose it shall provide evidence of the periodic tests carried out on the DG in service every five (5) years. For inverter-based DG with a capacity of up to twenty-five kilowatts (25 kW), these periodic tests are not required, but the Authority reserves the right to inspect the same. In these cases, the Customer is responsible for providing the Authority with evidence that it performed the tests recommended by the manufacturer or by the best practices of the electrical industry.

2.6 Upon termination of this Agreement, the Client shall permanently disconnect the DG from the Authority's system to prevent any possibility of its parallel operation in the future. The Authority reserves the right to inspect the Customer's facility to verify that the DG is permanently disconnected. After such disconnection, if the Client is interested in reconnecting the GD, he has to request a new evaluation from the Authority.

2.7 In the event that the Customer wishes to permanently disconnect the DG from the Authority's system and terminate the Agreement, it shall notify the Distribution Engineering Department of the region where the DG is installed in writing at least twenty (20) days in advance. In those cases where the Customer signed the Agreement electronically, it may notify the Authority of its determination to disconnect or request the termination of the Agreement electronically. The applicable method of notice, as entered into by the Agreement, does not affect or limit Customer's obligations under this Agreement.

3. INTERCONNECTION

3.1 The interconnection of the DG is conditional on the Client complying with the requirements of the Regulation and Law 114-2007, as amended, if applicable.

3.2 The Customer shall be responsible for the costs of upgrades necessary for the interconnection of the DG with the Authority's system, including, but not limited to: interconnection equipment, transformers, manual switch, and protection and control, metering, and safety systems, as applicable.

3.3 During the term of this Agreement, the Customer shall be responsible for maintaining the DG in optimal and safe operating condition, and for diligently replacing any system components that need to be replaced to ensure that the operation and interconnection of the system does not pose any danger to the life or property of the Customer or any third party, and does not affect the safety and reliability of the power grid.

3.4 Approvals granted by the Authority pursuant to this Agreement do not constitute a warranty to the Customer or any third party as to the safety, durability, reliability, performance or suitability of the Customer's generation facilities, their protection and control devices, or the design, construction, installation or operation thereof.

3.5 The Authority may install survey equipment at the Customer's premises from the point of delivery of the energy.

3.6 The interconnection of the DG is conditioned on the fact that it does not cause voltage or frequency fluctuations outside the acceptable parameters of the Authority, flickering (*voltage flicker*), voltage drops (*voltage sags*), interruptions, ferroressonance, harmonic distortion, transient phenomena, problems with the quality of the electrical signal or any unsafe conditions, which may affect customers in the area, other GDs or the Authority's system. In the event that at any time the DG is found to cause any of these conditions, the Authority may require the Customer to modify its design, install the necessary protection and control equipment, limit the operation of the DG or disconnect it from the Authority's system until the situation is corrected. Otherwise, the Authority will disconnect the DG until it is corrected. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

3.7 The Authority may disconnect the DG from the electricity distribution system or limit its operation at any time, under the following conditions:

A. No notification:

1) In emergency events or to correct unsafe operating conditions.

2) If it is determined that the GD does not comply with the technical requirements detailed in the Regulation.

B. By notification sent in digital file with PDF format, at least thirty (30) days in advance:

1) To carry out routine maintenance, repair or modification work to the Authority's electrical system.

2) Upon expiration or termination of this Agreement.

C. By means of notification sent in a digital file in PDF format, at least sixty (60) days in advance, if the Client is determined to be non-compliant with any of the provisions of the Regulation that are not technical requirements. If Customer is unable to correct the breach within sixty (60) calendar days, but begins the correction within twenty (20) days of notification and provides evidence that it has worked continuously and diligently to complete it, it will have a maximum of six (6) months to complete the same.

Disconnection from the DG does not imply that the Authority will immediately cancel the Agreement. If the condition is not corrected within the time indicated, the Authority may terminate the Agreement as set forth in Article 2 of this Agreement. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

4. PARTICIPATION IN NET METERING PROGRAMS

4.1 In order to participate in one of the Net Metering Programs, the Client shall at all times comply with the provisions of the Regulation.

4.2 The interconnection of the DG in parallel with the Authority's electric distribution system does not entitle the Customer to use its system for the distribution or sale of energy to other customers of the Authority, with the exception of participants in the Shared Net Metering Program, in which energy may be distributed among several customers.

4.3 Aggregate Net Metering Program - All service agreements must be included in one account. All properties must have electricity service at the same voltage level. The Customer's properties to which the energy is to be credited must be located in the same location where the DG is installed or in other locations that are interconnected to the same power line at a distance of no more than two (2) miles from the DG.

4.4 Shared Net Metering Program - Customer properties to which energy is to be credited must be located in the same locality

where the GD is installed. All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. Each participating Customer who is not the owner of the GD must sign an Agreement for Participation in the Net Shared Metering Program.

5. ENERGY METERING AND BILLING

5.1 The billing of the energy consumed by the Customer and the credit for the energy it exports will be made on the basis of the net consumption and net export of energy by the Customer. Energy consumed and exported by Customer will be measured and credited as described below, except where otherwise expressly and specifically directed by federal law or regulation.

5.2 The energy compensation will be effective at the beginning of the billing period following the installation or configuration of the meter.

5.3 For Customers with existing electrical installations, the meter must be in an accessible location and, if it is not, the Customer shall be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be done remotely. Testing and readings to such meter shall be in accordance with the practices of the Authority.

5.4 In each billing period, the Authority shall measure the energy consumed by the Customer and the energy exported to the Authority's electricity system.

5.5 If, during the billing period, the Authority supplies the Customer with more energy than the Customer exports, the Customer will be charged for its net consumption (the result of subtracting from the energy consumed by the Customer the energy exported by the Customer to the Authority's system and any energy export credits, if any).

5.6 If during the billing period, the Customer exports more energy than is supplied by the Authority, the Customer will be charged the minimum bill that corresponds to the tariff to which it is entitled. The minimum bill is the amount that the Authority charges the Customer who does not consume electricity during a billing period. The Authority shall credit the Customer for excess energy during the billing period up to a daily maximum of three hundred kilowatt-hours (300 kWh) for residential customers and ten megawatt-hours (10 MWh) for commercial customers. The energy export credit will be applied to the bill for the next billing period. The excess is the amount resulting when the energy exported by the Customer to the Authority's system and any previously accrued energy export credits, if any, are subtracted from the energy consumed by the Customer.

5.7 Any energy export credits accrued by Customer during the previous year that have not been used at the close of the billing period, in June of each year, will be offset as follows:

A. The Authority shall use the greater of ten (10) cents per kilowatt-hour (kWh) or the amount resulting from subtracting the adjustment fee, converted into cents per kilowatt-hour (kWh) from the total price charged to its customers, converted into cents per kilowatt-hour (kWh).

B. The Authority will credit the Customer for 75% of the surplus and 25% will be credited to the Department of Education's electric bill.

5.8 For customers who participate in the Aggregate Net Metering Program, in addition to the provisions of the previous paragraphs, the following applies:

A. Properties located in the same locality – The maximum amount of energy to be credited to all service agreements added within the locality where the DG is located is equal to 100% of the consumption of the properties in the locality. This energy will be credited first to the service agreement associated with the DG and the excess will be credited equally to the rest of the service agreements that are in the same account.

B. Properties located in different locations – The maximum amount of energy to be credited to all aggregated service agreements is equal to 120% of the consumption of the properties in the location where the DG is located. 100% of the consumption of the properties in the locality where the DG is located will be credited and the remaining 20% of the energy production will be credited equally to the service agreements in the other localities that are in the same account.

5.9 For customers participating in the Shared Net Metering Program, in addition to the provisions of paragraphs 5.1 to 5.7 of this Article, 100% of the energy produced by the DG will be credited equally among all participants of this program.

6. OBLIGATIONS AND DUTIES OF THE CLIENT

6.1 The Client shall commence the parallel operation of the DG with the Authority's system, after the interconnection is approved by the Authority, signs this Agreement and any other requirements necessary for the interconnection of the project are met, such as the Permit of Use for those projects that require it. The Authority reserves the right to have an authorized representative inspect the DG facility, as appropriate.

Exception: GD Customers with a capacity of 10 kW or less may interconnect once they sign this Agreement, meet all technical requirements, and have received Electrical Installation Certification by the Authority.

6.2 The Client shall be responsible for the design, installation, operation, maintenance and costs of:

A. The GD, which shall be installed in accordance with the Regulations, shall be installed in accordance with the Regulations,

Electrical Code (NEC), *National Electrical Safety Code* (NESC), Regulations for the Certification of Electrical Construction Project Drawings and other laws, public policy, regulations, manuals, standards, standards, technical communications and standards of the electricity industry in force adopted by the Authority and the applicable regulatory agencies.

B. The protection and control system to protect your facility and the Authority's system from unsafe operating conditions, such as: electrical overload, voltage variations, and fault currents. If an electrical disturbance occurs, protective equipment will disconnect the DG from the Authority's system.

C. The appropriate manual switch for the voltage levels and capable of interrupting the current to which it will be exposed, as applicable. This switch will provide to secure the open position with an Authority padlock.

D. The interconnection equipment required to connect the DG and the equipment necessary to mitigate power quality problems caused by it to the Authority's system or to other customers.

6.3 The Customer shall ensure that the DG does not cause damage to the electric service or the quality of the electrical signal of the Authority or other customers and that it does not interfere with the operation of other DGs, as well as any other equipment.

6.4 Customer shall protect, operate, and maintain the GD in compliance with those practices and methods, as amended and updated, that are commonly used in engineering and electric utilities to ensure safe operation of the GD.

6.5 Acceptance Tests:

A. Before operating the DG in parallel with the Authority's electrical distribution system, the Customer shall test the generator, protection and control system, interconnection switch, manual switch, and equipment necessary to meet the technical requirements, as applicable. The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for it to request additional tests.

B. The Client or its authorized representative is responsible for delivering to the Authority the report of the tests performed, certified by a licensed and chartered electrical engineer, authorized to practice the engineering profession in Puerto Rico, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System. which is included as Annex 3 and is incorporated into this Agreement.

6.6 DG In-Service Testing and Maintenance:

A. Maintenance: During the term of the Agreement, the customer is responsible for operating, maintaining, and repairing all equipment that makes up the GD, in accordance with the manufacturer's instructions, to ensure that it complies with applicable electrical industry standards. In addition, it has to test all components related to the interconnection according to the applicable codes, standards and the manufacturer's recommendations. The Authority reserves the right to require evidence of maintenance and test reports from the GD. B. Periodic Tests:

1) Every five years, the customer has to perform the required periodic tests of the DG, as described in the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System.

2) The customer or its authorized contractor must notify the Regional Inspection Office electronically of the date for testing at least ten business days in advance.

3) The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

4) The client will provide the Authority with the report of the periodic tests, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System, with the results, digitally signed by a licensed and collegiate electrical engineer.

5) The Authority will not require periodic testing of inverter-based DG systems with a capacity of up to 25 kW, except for tests recommended by the manufacturer or by the best practices of the electricity industry.

C. The Authority reserves the right to carry out physical inspections of the DG interconnected with its electricity grid, after coordination with the client, with the aim of verifying that these have not been modified without their authorization.

D. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the customer of the condition of the operation or installation of the equipment.

6.7 The Client shall provide access to the facilities of the DG so that the Authority's employees may perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c) maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that an emergency exists; have to do work; or detects that it causes voltage or frequency fluctuations, flickering, or power quality issues; (e) any meter-related work from the DG not being accessible and (f) disconnecting the DG under the causes of non-compliance set forth in subsection 13.1 of this Agreement. Once the Authority disconnects the DG, the Customer will not be able to operate it until the condition that caused the disconnection is corrected and the Authority approves it. Access to

Authority personnel will be coordinated in advance with the Client, except when an emergency situation exists.

6.8 Customer must provide a means of disconnection on the AC voltage side of the inverter, as set forth in the National Electrical Code (NEC). In the case of DG with a capacity greater than 300 kW, it is also required to install an external manual switch that is visible and accessible to the Authority's personnel twenty-four hours a day, without the need for the presence of the customer or equipment operator. If this is not accessible to the Authority's personnel, the Client will be obliged to allow and facilitate access to the switch, with prior coordination with the Authority's personnel as required by the Authority. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service, where both the DG and the electrical service that the Authority provides to the Customer will be disconnected.

6.9 Once the Authority endorses the electrical installation plans of the proposed DG, if the Client wishes to make changes or modifications, it must electronically notify and provide technical documentation of the equipment to the Distribution Engineering Department of the region where the DG is located before making the modification. The Authority will evaluate the changes to the GD and determine the corresponding action. If the inverter is replaced, even if it is of the same capacity, operational characteristics and technical specifications as the previous one, the certified results of the acceptance tests of the same must be delivered to the Authority. If the modifications or changes result in the increase of AC generation capacity or changes in the type of generator technology, the Customer shall submit a new Application for the evaluation of the proposed project. If the changes or modifications relate to an increase in AC generation capacity at the Customer's facilities, the Authority will determine whether the Customer can continue to operate under this Agreement. Changes or modifications in the GD protection and control system must be evaluated and approved by the Authority. If the Client modifies the DG without the consent of the Authority, the Authority shall have the right to preventively disconnect it until it verifies that the modifications do not jeopardize the security and reliability of the Authority's system.

6.10 Customer will obtain and maintain all permits and inspections indicating that the GD complies with all applicable building and safety codes.

7. GENERAL PUBLIC LIABILITY INSURANCE

7.1 Customer shall obtain and maintain in force for the duration of this Agreement a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

7.2 Exception – The Customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than three hundred kilowatts (300 kW), with the electric distribution system, is exempt from a General Public Liability Insurance policy. In these cases, the Client has to sign an Agreement for the Waiver of Insurance Requirement.

7.3 The General Public Liability policy shall be endorsed as follows: A. As an additional insured: Electric Power Authority

Risk Management Office

Section 364267

San Juan, PR 00936-4267

B. An endorsement that includes this Agreement under the cover of contractual liability identifying the Parties to the Agreement.

C. Relief of subrogation in favor of the Electric Power Authority.

D. Thirty (30) days' notice of cancellation or non-renewal and acknowledgement of receipt to the above address.

E. Violation of any warranty or condition of this policy shall not prejudice the Electric Power Authority's right under such policy.

7.4 The insurance policy applied for must be submitted in a manner acceptable to the Authority. The Client must provide a certificate of insurance in digital format, originated by an insurance company or agency authorized to conduct business in Puerto Rico, describing the coverage maintained. This certification has to be issued on the *Acord* form, generally used by insurers. In addition, it must include endorsements in digital format.

7.5 This policy must be renewed annually and submitted to the Authority. In the event that this policy renewal requirement is not met, the Authority will immediately cancel the Agreement.

8. ASSIGNMENT OF THE AGREEMENT

In the event that the electric service account holder on the property where the DG is installed changes, the new Customer must sign a new Agreement with the Authority. In this way, the Client will assign the rights and obligations contracted under the current Agreement to the new account holder, without having to process a new interconnection and net metering request. The Authority will disconnect the DG until the new holder signs the Agreement. If the new Agreement is signed at

the time of cancellation of the previous one, it will not be necessary to disconnect the DG.

9. APPLICABLE LAW AND COMPETENT COURTS

This Agreement shall be subject to and construed by the laws of the Commonwealth of Puerto Rico. In addition, the Contracting Parties expressly agree that disputes arising between them in connection with this Agreement shall be governed by the provisions of Section XI: Appellate Procedure of the Regulations.

10. RESPONSIBILITY

The Parties agree that their respective liability for damages in this Agreement shall be as established by the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.

11. RELEASE OF RESPONSIBILITY

The Client agrees to release and hold harmless and indemnify the Authority for all expenses and costs of any nature, including attorneys' fees, incurred by the Authority arising out of or arising out of claims by third parties for personal injury, including death, or damage to property, but which damages were caused by the Client's acts or omissions in the performance or failure to perform its obligations under this Agreement. This provision shall survive any termination or expiration of this Agreement.

12. FORCE MAJEURE

The Contracting Parties shall excuse themselves from the performance of their contractual obligations and shall not be liable for damages or any other reason, insofar as their breach is due to a force majeure event. For purposes of this Agreement, force majeure means any cause not attributable to the fault or negligence, and beyond the control, of the Party claiming the occurrence of a force majeure event. Force Majeure may include, but not be limited to, the following: industrial disturbances, acts of the public enemy, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruption of services due to the acts or omissions of any public authority; provided that these events, or any other that is claimed as a force majeure event, and/or their effects, are beyond the control and are not the result of the fault or negligence of the Party claiming the occurrence of a force majeure event, and that said Party, within ten (10) days, counted from the occurrence of the alleged force majeure, notify the other Party in writing describing the details of

the event and its estimated duration. The burden of proof, as to whether or not a force majeure event occurred, will be on the Party claiming that it occurred.

13. CAUSES OF NON-COMPLIANCE; REMEDIES

13.1 Violation of any of the terms and conditions of this Agreement, of the Regulations or the Regulations General Terms and Conditions for the Supply of Electric Power, will give the Authority the right to disconnect the DG. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service.

13.2 Notwithstanding anything provided in this Agreement, each Party's liability shall be limited only to direct damages and at no time shall the Parties be liable for incidental, punitive, consequential or indirect damages.

13.3 The Authority shall not be liable for damage due to fluctuations or interruptions of the Authority's system. This provision shall survive the expiration or termination of this Agreement.

14. SEPARABILITY

If any provision of this Agreement is declared void or invalid by any court having jurisdiction and competence, it shall not affect the validity and enforceability of the remaining provisions of this Agreement and the Contracting Parties agree to perform their obligations under such provisions not affected by a judicial determination of nullity or invalidity.

15. AMENDMENTS AND MODIFICATIONS

This Agreement may only be amended or modified in writing and by mutual agreement between the Parties.

16. NOTIFICATIONS

Any notice required to be given by the Contracting Parties pursuant to this Agreement shall be sent in writing and shall be deemed to have been duly effective upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

_____
(Postal address)

_____
(Postal address)

Attention: _____
(Name)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any qualms and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority: Client:

Employer Social Security: 660-43-3747

_____ _____
(Name of Distribution Engineering Department Representative) (Name) _____

_____
(Title) (Social Security)

_____ _____
(Signature) (Signature)

_____ _____
(Date) (Date)

In the event that the Client is interested in participating in the Net Metering Program, the following approval is required:

_____
(Name of Commercial Office Representative)

_____
(Title)

_____
(Signature)

_____
(Date)

ANNEX H

Commonwealth of Puerto Rico Puerto Rico Electric Power Authority

Agreement to Interconnect Generators with the Electric Power Authority's Electric Distribution System and Participate in Net Metering Programs CORPORATIONS

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Authorized Representative: _____, _____, of the
(name) (title)
Department of Distribution Engineering of the _____ region.
In those projects where you are interested in participating in one of the Programs of Measurement Net, the Authority also is represented By: _____, _____, of the Office
(name) (title)
Commercial _____.

FROM THE OTHER PARTY: _____, onwards
(name corporation) referred to as "the Client", a corporation organized and existing under the laws of the Commonwealth of Puerto Rico, represented herein by
_____, Older of age, _____,
(full name) (marital status)
_____ and resident of _____, Puerto Rico, who says he is
(profession) (people)
duly authorized to act on behalf of the corporation through Corporate Resolution number _____ of _____.
(date)

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. SCOPE OF THE AGREEMENT

The interconnection of the Customer's own generation with the Authority's electric distribution system (the Authority's system) and its voluntary participation in one of the Net Metering Programs, for systems with a capacity of up to one megawatt (1 MW) using renewable sources of energy, shall be in accordance with the provisions of this Agreement and its annexes, which are an essential part of the following terms and conditions:

1.1 The Client intends to build, own, maintain and operate a distributed generation (DG) system, which will operate in parallel with the Authority's system.

1.2 The Client will participate in:

- ☐ Basic Net Metering Program
- ☐ Aggregate Net Metering Program
- ☐ Shared Net Metering Program
- ☐ None

1.3 The Authority previously reviewed the corresponding evaluation request (Application) to interconnect the DG with the Authority's system and participate in one of the Net Metering Programs, if applicable, upon receipt of the _____, with their respective supporting documents. The request
(date)
completed is included as Exhibit 1 and is incorporated into this Agreement.

1.4 If the Client does not own the property where the GD will be installed, he/she must include the Affidavit document of the Property Owner(s), sworn before a notary public, authorizing such installation on his/her property.

1.5 The Customer intends to interconnect the DG with the Authority's system, and the Authority will permit such interconnection subject to the terms and conditions set forth in the following documents: (1) Regulations for Interconnecting Generators with the Power Authority's Electric Distribution System
Electricity and Participate in Net Metering Programs (Regulations); (2) Application completed and reviewed by the Authority; (3) Regulations General Terms and Conditions for the Supply of Electric Power, and (4) this Agreement.

1.6 The GD will be permanently located in _____ _____, with the account number of the Authority _____ and accepted the _____ rate. The capacity of the DG is _____ kW AC, as presented in the endorsed plans of the electrical installations, as applicable. The endorsed plans are included as Exhibit 2 and are incorporated into this Agreement.

1.7 The electric service provided under this Agreement shall be ____fásico, at a frequency of 60 Hz and at a voltage of _____ volts.

1.8 This Agreement does not constitute an agreement for the purchase or distribution of Customer's energy. The purchase or distribution of energy and other services that the Customer requires will be established under other contracts or agreements, as applicable.

1.9 The provisions of this Agreement shall not affect other agreements that exist between the Authority and the Client.

2. EFFECTIVE DATE, VALIDITY AND TERMINATION

2.1 This Agreement is effective on the date signed by both Parties and shall be in effect[1]:

☐ as long as the Client maintains a Contract for the Supply of Electric Energy in force with the Authority on the property where the DG is located.

☐ for a period of _____ (___) years from the effective date.

2.2 The metering and crediting of the energy consumed and exported by the Customer in the applicable Net Metering Program will be effective at the beginning of the billing period following the installation or configuration of the meter. The effective date will be _____.
(date)

2.3 This Agreement shall terminate: (a) by mutual agreement of the Parties, (b) if replaced by another Agreement, (c) if Customer's electric service is terminated or transferred, (d) if Customer fails to comply with any of the periodic DG tests, whether required by the Authority every five (5) years or recommended by the manufacturer, as applicable, or (e) either Party is in breach of this Agreement as set forth in Article 13 hereof.

2.4 The Authority may, at any time, terminate, cancel or accelerate the expiration of this Agreement, upon prior notice, in the event that the Client fails to perform any of its obligations under this Agreement. The exercise of the right to terminate, cancel or terminate this Agreement shall not be construed as a waiver by the Authority of any additional remedies provided by this Agreement or by law for cases of delay or failure to perform Client's contractual obligations.

2.5 The Client may maintain the validity of this Agreement or renew it for additional periods, if applicable, for which purpose it shall provide evidence of the periodic tests carried out on the DG in service every five (5) years. For inverter-based DG with a capacity of up to twenty-five kilowatts (25 kW), these periodic tests are not required, but the Authority reserves the right to inspect the same. In these cases, the Customer is responsible for providing the Authority with evidence that it performed the tests recommended by the manufacturer or by the best practices of the electrical industry.

2.6 Upon termination of this Agreement, the Client shall permanently disconnect the DG from the Authority's system to prevent any possibility of its parallel operation in the future. The Authority reserves the right to inspect the Customer's facility to verify that the DG is permanently disconnected. After such disconnection, if the Client is interested in reconnecting the GD, he has to request a new evaluation from the Authority.

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[1] El Cliente tiene la opción de escoger si desea un Acuerdo que permanezca vigente mientras mantenga activo el contrato de servicio de electricidad en el predio donde ubica el GD o si prefiere un término fijo establecido en años, el cual debe ser un mínimo de cinco (5) años.

2.7 In the event that the Customer wishes to permanently disconnect the DG from the Authority's system and terminate the Agreement, it shall notify the Distribution Engineering Department of the region where the DG is installed in writing at least twenty (20) days in advance. In those cases where the Customer signed the Agreement electronically, it may notify the Authority of its determination to disconnect or request the termination of the Agreement electronically. The applicable method of notice, as entered into by the Agreement, does not affect or limit Customer's obligations under this Agreement.

3. INTERCONNECTION

3.1 The interconnection of the DG is conditional on the Client complying with the requirements of the Regulation and Law 114-2007, as amended, if applicable.

3.2 The Customer shall be responsible for the costs of upgrades necessary for the interconnection of the DG with the Authority's system, including, but not limited to: interconnection equipment, transformers, manual switch, and protection and control, metering, and safety systems, as applicable.

3.3 During the term of this Agreement, the Customer shall be responsible for maintaining the DG in optimal and safe operating condition, and for diligently replacing any system components that need to be replaced to ensure that the operation and interconnection of the system does not pose any danger to the life or property of the Customer or any third party, and does not affect the safety and reliability of the power grid.

3.4 Approvals granted by the Authority pursuant to this Agreement do not constitute a warranty to the Customer or any third party as to the safety, durability, reliability, performance or suitability of the Customer's generation facilities, their protection and control devices, or the design, construction, installation or operation thereof.

3.5 The Authority may install survey equipment at the Customer's premises from the point of delivery of the energy.

3.6 The interconnection of the DG is conditioned on the fact that it does not cause voltage or frequency fluctuations outside the acceptable parameters of the Authority, flickering (*voltage flicker*), voltage drops (*voltage sags*), interruptions, ferroressonance, harmonic distortion, transient phenomena, problems with the quality of the electrical signal or any unsafe conditions, which may affect customers in the area, other GDs or the Authority's system. In the event that at any time the DG is found to cause any of these conditions, the Authority may require the Customer to modify its design, install the necessary protection and control equipment, limit the operation of the DG or disconnect it from the Authority's system until the situation is corrected. Otherwise, the Authority will disconnect the DG until it is corrected. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be

made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

3.7 The Authority may disconnect the DG from the electricity distribution system or limit its operation at any time, under the following conditions:

A. No notification:

1) In emergency events or to correct unsafe operating conditions.

2) If it is determined that the GD does not comply with the technical requirements detailed in the Regulation.

B. By notification sent in digital file with PDF format, at least thirty (30) days in advance:

1) To carry out routine maintenance, repair or modification work to the Authority's electrical system.

2) Upon expiration or termination of this Agreement.

C. By means of notification sent in a digital file in PDF format, at least sixty (60) days in advance, if the Client is determined to be non-compliant with any of the provisions of the Regulation that are not technical requirements. If Customer is unable to correct the breach within sixty (60) calendar days, but begins the correction within twenty (20) days of notification and provides evidence that it has worked continuously and diligently to complete it, it will have a maximum of six (6) months to complete the same.

Disconnection from the DG does not imply that the Authority will immediately cancel the Agreement. If the condition is not corrected within the time indicated, the Authority may terminate the Agreement as set forth in Article 2 of this Agreement. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

4. PARTICIPATION IN NET METERING PROGRAMS

4.1 In order to participate in one of the Net Metering Programs, the Client shall at all times comply with the provisions of the Regulation.

4.2 The interconnection of the DG in parallel with the Authority's electric distribution system does not entitle the Customer to use its system for the distribution or sale of energy to other customers of the Authority, with the exception of participants in the Shared Net Metering Program, in which energy may be distributed among several customers.

4.3 Aggregate Net Metering Program - All service agreements must be included in one account. All properties have to

have electricity service at the same voltage level. The Customer's properties to which the energy is to be credited must be located in the same location where the

DG is installed or in other locations that are interconnected to the same power line at a distance of no more than two (2) miles from the DG.

4.4 Shared Net Metering Program - The properties of the customers to which the energy is to be credited must be located in the same locality where the DG is installed. All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. Each participating Customer who is not the owner of the GD must sign an Agreement for Participation in the Net Shared Metering Program.

5. ENERGY METERING AND BILLING

5.1 The billing of the energy consumed by the Customer and the credit for the energy it exports will be made on the basis of the net consumption and net export of energy by the Customer. Energy consumed and exported by Customer will be measured and credited as described below, except where otherwise expressly and specifically directed by federal law or regulation.

5.2 The energy compensation will be effective at the beginning of the billing period after the installation or configuration of the meter.

5.3 For Customers with existing electrical installations, the meter must be in an accessible location and, if it is not, the Customer shall be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be done remotely. Testing and readings to such meter shall be in accordance with the practices of the Authority.

5.4 In each billing period, the Authority shall measure the energy consumed by the Customer and the energy exported to the Authority's electricity system.

5.5 If, during the billing period, the Authority supplies the Customer with more energy than the Customer exports, the Customer will be charged for its net consumption (the result of subtracting from the energy consumed by the Customer the energy exported by the Customer to the Authority's system and any energy export credits, if any).

5.6 If during the billing period, the Customer exports more energy than is supplied by the Authority, the Customer will be charged the minimum bill that corresponds to the tariff to which it is entitled. The minimum bill is the amount that the Authority charges the Customer who does not consume electricity during a billing period. The Authority shall credit the Customer for excess energy during the billing period up to a daily maximum of three hundred kilowatt-hours (300 kWh) for residential customers and ten megawatt-hours (10 MWh) for commercial customers. The energy export credit will be applied to the bill for the next billing period. The excess is the amount resulting when the energy exported by the Customer to the Authority's system and any previously accrued energy export credits, if any, are subtracted from the energy consumed by the Customer.

5.7 Any energy export credits accrued by Customer during the previous year that have not been used at the close of the billing period, in June of each year, will be offset as follows:

A. The Authority shall use the greater of ten (10) cents per kilowatt-hour (kWh) or the amount resulting from subtracting the adjustment fee, converted into cents per kilowatt-hour (kWh) from the total price charged to its customers, converted into cents per kilowatt-hour (kWh).

B. The Authority will credit the Customer for 75% of the surplus and 25% will be credited to the Department of Education's electric bill.

5.8 For customers who participate in the Aggregate Net Metering Program, in addition to the provisions of the previous paragraphs, the following applies:

A. Properties located in the same locality – The maximum amount of energy to be credited to all service agreements added within the locality where the DG is located is equal to 100% of the consumption of the properties in the locality. This energy will be credited first to the service agreement associated with the DG and the excess will be credited equally to the rest of the service agreements that are in the same account.

B. Properties located in different locations – The maximum amount of energy to be credited to all aggregated service agreements is equal to 120% of the consumption of the properties in the location where the DG is located. 100% of the consumption of the properties in the locality where the DG is located will be credited and the remaining 20% of the energy production will be credited equally to the service agreements in the other localities that are in the same account.

5.9 For customers participating in the Shared Net Metering Program, in addition to the provisions of paragraphs 5.1 to 5.7 of this Article, 100% of the energy produced by the DG will be credited equally among all participants of this program.

6. OBLIGATIONS AND DUTIES OF THE CLIENT

6.1 The Client shall commence the parallel operation of the DG with the Authority's system, after the interconnection is approved by the Authority, signs this Agreement and any other requirements necessary for the interconnection of the project are met, such as the Permit of Use for those projects that require it. The Authority reserves the right to have an authorized representative inspect the DG facility, as appropriate.

Exception: GD Customers with a capacity of 10 kW or less may interconnect once they sign this Agreement, meet all technical requirements, and have received Electrical Installation Certification by the Authority.

6.2 The Client shall be responsible for the design, installation, operation, maintenance and costs of:

A. The GD, which shall be installed in accordance with the Regulations, shall be installed in accordance with the Regulations,

Electrical Code (NEC), *National Electrical Safety Code* (NESC), Regulations for the Certification of Electrical Construction Project Drawings and other laws, public policy, regulations, manuals, standards, standards, technical communications and standards of the electricity industry in force adopted by the Authority and the applicable regulatory agencies.

B. The protection and control system to protect your facility and the Authority's system from unsafe operating conditions, such as: electrical overload, voltage variations, and fault currents. If an electrical disturbance occurs, protective equipment will disconnect the DG from the Authority's system.

C. The appropriate manual switch for the voltage levels and capable of interrupting the current to which it will be exposed, as applicable. This switch will provide to secure the open position with an Authority padlock.

D. The interconnection equipment required to connect the DG and the equipment necessary to mitigate power quality problems caused by it to the Authority's system or to other customers.

6.3 The Customer shall ensure that the DG does not cause damage to the electric service or the quality of the electrical signal of the Authority or other customers and that it does not interfere with the operation of other DGs, as well as any other equipment.

6.4 Customer shall protect, operate, and maintain the GD in compliance with those practices and methods, as amended and updated, that are commonly used in engineering and electric utilities to ensure safe operation of the GD.

6.5 Acceptance Tests:

A. Before operating the DG in parallel with the Authority's electrical distribution system, the Customer shall test the generator, protection and control system, interconnection switch, manual switch, and equipment necessary to meet the technical requirements, as applicable. The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for it to request additional tests.

B. The Client or its authorized representative is responsible for delivering to the Authority the report of the tests performed, certified by a licensed and chartered electrical engineer, authorized to practice the engineering profession in Puerto Rico, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System. which is included as Annex 3 and is incorporated into this Agreement.

6.6 DG In-Service Testing and Maintenance:

A. Maintenance: During the term of the Agreement, Customer is responsible for operating, maintaining, and repairing all equipment comprising the DG, in accordance with the manufacturer's instructions, to ensure that it meets applicable electrical industry standards. In addition, it has to test all components related to the interconnection according to the applicable codes, standards and the manufacturer's recommendations. The Authority reserves the right to require evidence of maintenance and test reports from the GD. B. Periodic Tests:

1) Every five years, the Customer has to perform the required periodic tests of the DG, as described in the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System.

2) The Client or its authorized contractor must notify the Regional Inspection Office electronically of the date for testing at least ten business days in advance.

3) The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

4) The Client will provide the Authority with the report of the periodic tests, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System, with the results, digitally signed by a licensed and collegiate electrical engineer.

5) The Authority will not require periodic testing of inverter-based DG systems with a capacity of up to 25 kW, except for tests recommended by the manufacturer or by the best practices of the electricity industry.

C. The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity network, after coordination with the Client, in order to verify that they have not been modified without its authorization.

D. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the Customer of the condition of the operation or installation of the equipment.

6.7 The Client shall provide access to the facilities of the DG so that the Authority's employees may perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c) maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that an emergency exists; have to do work; or detects that it causes voltage or frequency fluctuations, flickering, or power quality issues; (e) any meter-related work from the DG not being accessible and (f)

disconnecting the DG under the causes of non-compliance set forth in subsection 13.1 of this Agreement. Once the Authority disconnects the DG, the Customer will not be able to operate it until the condition that caused the disconnection is corrected and the Authority approves it. Access to Authority personnel will be coordinated in advance with the Client, except when an emergency situation exists.

6.8 Customer must provide a means of disconnection on the AC voltage side of the inverter, as set forth in the National Electrical Code (NEC). In the case of DG with a capacity greater than 300 kW, it is also required to install an external manual switch that is visible and accessible to the Authority's personnel twenty-four hours a day, without the need for the presence of the customer or equipment operator. If this is not accessible to the Authority's personnel, the Client will be obliged to allow and facilitate access to the switch, with prior coordination with the Authority's personnel as required by the Authority. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service, where both the DG and the electrical service that the Authority provides to the Customer will be disconnected.

6.9 Once the Authority endorses the plans of electrical installations or the proposed DG, if the Client wishes to make changes or modifications, it must electronically notify and provide technical documentation of the equipment to the Distribution Engineering Department of the region where the DG is located before making the modification. The Authority will evaluate the changes to the GD and determine the corresponding action. If the inverter is replaced, even if it is of the same capacity, operational characteristics and technical specifications as the previous one, the certified results of the acceptance tests of the same must be delivered to the Authority. If the modifications or changes result in the increase of generation capacity

AC or changes in the type of generator technology, the Customer will submit a new Application for the evaluation of the proposed project. If the changes or modifications relate to an increase in AC generation capacity at the Customer's facilities, the Authority will determine whether the Customer can continue to operate under this Agreement. Changes or modifications in the GD protection and control system must be evaluated and approved by the Authority. If the Client modifies the DG without the consent of the Authority, the Authority shall have the right to preventively disconnect it until it verifies that the modifications do not jeopardize the security and reliability of the Authority's system.

6.10 Customer will obtain and maintain all permits and inspections indicating that the GD complies with all applicable building and safety codes.

7. GENERAL PUBLIC LIABILITY INSURANCE

7.1 Customer shall obtain and maintain in force for the duration of this Agreement a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

7.2 Exception – The Customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than three hundred kilowatts (300 kW), with the electric distribution system, is exempt from a General Public Liability Insurance policy. In these cases, the Client has to sign an Agreement for the Waiver of Insurance Requirement.

7.3 The General Public Liability policy shall be endorsed as follows: A. As an additional insured: Electric Power Authority

Risk Management Office

Section 364267

San Juan, PR 00936-4267

B. An endorsement that includes this Agreement under the cover of contractual liability identifying the Parties to the Agreement.

C. Relief of subrogation in favor of the Electric Power Authority.

D. Thirty (30) days' notice of cancellation or non-renewal and acknowledgement of receipt to the above address.

E. Violation of any warranty or condition of this policy shall not prejudice the Electric Power Authority's right under such policy.

7.4 The insurance policy applied for must be submitted in a manner acceptable to the Authority. The Client must provide a certificate of insurance in digital format, originated by an insurance company or agency authorized to conduct business in Puerto Rico, describing the coverage maintained. This certification has to be issued on the *Acord* form, generally used by insurers. In addition, it must include endorsements in digital format.

7.5 This policy must be renewed annually and submitted to the Authority. In the event that this policy renewal requirement is not met, the Authority will immediately cancel the Agreement.

8. ASSIGNMENT OF THE AGREEMENT

In the event that the electric service account holder on the property where the DG is installed changes, the new Customer must sign a new Agreement with the Authority. In this way, the Client will assign the rights and obligations contracted under the current Agreement to the new account holder, without having to process a new interconnection and net metering request. The Authority will disconnect the DG until the new holder signs the Agreement. If the new Agreement is signed at the time of cancellation of the previous one, it will not be necessary to disconnect the DG.

9. APPLICABLE LAW AND COMPETENT COURTS

This Agreement shall be subject to and construed by the laws of the Commonwealth of Puerto Rico. In addition, the Contracting Parties expressly agree that disputes arising between them in connection with this Agreement shall be governed by the provisions of Section XI: Appellate Procedure of the Regulations.

10. RESPONSIBILITY

The Parties agree that their respective liability for damages in this Agreement shall be as established by the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.

11. RELEASE OF RESPONSIBILITY

The Client agrees to release and hold harmless and indemnify the Authority for all expenses and costs of any nature, including attorneys' fees, incurred by the Authority arising out of or arising out of claims by third parties for personal injury, including death, or damage to property, but which damages were caused by the Client's acts or omissions in the performance or failure to perform its obligations under this Agreement. This provision shall survive any termination or expiration of this Agreement.

12. FORCE MAJEURE

The Contracting Parties shall excuse themselves from the performance of their contractual obligations and shall not be liable for damages or any other reason, insofar as their breach is due to a force majeure event. For purposes of this Agreement, force majeure means any cause not attributable to the fault or negligence, and beyond the control, of the Party claiming the occurrence of a force majeure event. Force Majeure may include, but not be limited to, the following: industrial disturbances, acts of the public enemy, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruption of services due to the acts or omissions of any public authority; provided that these events, or any other that is claimed as a force majeure event, and/or their effects, are beyond the control and are not the result of the fault or negligence of the Party claiming the occurrence of a force majeure event, and that said Party, within ten (10) days, counted from the occurrence of the alleged force majeure, notify the other Party in writing describing the details of the event and its estimated duration. The burden of proof, as to whether or not a force majeure event occurred, will be on the Party claiming that it occurred.

13. CAUSES OF NON-COMPLIANCE; REMEDIES

13.1 Violation of any of the terms and conditions of this Agreement, of the Regulations or the Regulations General Terms and Conditions for the Supply of Electric Power, will give the Authority the right to disconnect the DG. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service.

13.2 Notwithstanding anything provided in this Agreement, each Party's liability shall be limited only to direct damages and at no time shall the Parties be liable for incidental, punitive, consequential or indirect damages.

13.3 The Authority shall not be liable for damage due to fluctuations or interruptions of the Authority's system. This provision shall survive the expiration or termination of this Agreement.

14. SEPARABILITY

If any provision of this Agreement is declared void or invalid by any court having jurisdiction and competence, it shall not affect the validity and enforceability of the remaining provisions of this Agreement and the Contracting Parties agree to perform their obligations under such provisions not affected by a judicial determination of nullity or invalidity.

15. AMENDMENTS AND MODIFICATIONS

This Agreement may only be amended or modified in writing and by mutual agreement between the Parties.

16. NOTIFICATIONS

Any notice required to be given by the Contracting Parties pursuant to this Agreement shall be sent in writing and shall be deemed to have been duly effective upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

_____
(Postal address)

_____
(Postal address)

Attention: _____
(Name)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any qualms and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority: Client:

Employer Social Security: 660-43-3747

_____ _____
(Name of Distribution Engineering Department Representative) (Name Corporation) _____

_____
(Title) (Employer's Social Security)

_____ _____
(Signature) (Authorized Representative Name)

_____ _____
(Date) (Signature) _____

(Date)

In the event that the Client is interested in participating in the Net Metering Program, the following approval is required:

_____
(Name of Commercial Office Representative)

_____
(Title)

_____
(Signature)

_____
(Date)

ANNEX H Commonwealth of Puerto Rico Puerto Rico Electric Power Authority

Agreement to Interconnect Generators with the Electric Distribution System of the Electric Power Authority and Participate in Net Metering Programs GOVERNMENT ENTITIES

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Authorized Representative: _____, _____, of the
(name) (title)
Department of Distribution Engineering of the _____ region.
In those projects where you are interested in participating in one of the Programs of Measurement Net, the Authority also is represented By: _____, _____, of the Office
(name) (title)
Commercial _____.

FROM THE OTHER PARTY: _____, onwards
(name governmental entity) referred to as "the Client", a governmental entity organized and existing under the laws of the Commonwealth of Puerto Rico, represented herein by
_____, Older of age, _____,
(full name) (marital status)
_____ and resident of _____, Puerto Rico, who says he is
(profession) (people) duly authorized to act on behalf of the governmental entity.

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. SCOPE OF THE AGREEMENT

The interconnection of the Customer's own generation with the Authority's electric distribution system (the Authority's system) and its voluntary participation in one of the Net Metering Programs, for systems with a capacity of up to one megawatt (1 MW) using renewable sources of energy, shall be in accordance with the provisions of this Agreement and its annexes, which are an essential part of the following terms and conditions:

1.1 The Client intends to build, own, maintain and operate a distributed generation (DG) system, which will operate in parallel with the Authority's system.

1.2 The Client will participate in:

- ☐ Basic Net Metering Program
- ☐ Aggregate Net Metering Program
- ☐ Shared Net Metering Program
- ☐ None

1.3 The Authority previously reviewed the corresponding evaluation request (Application) to interconnect the DG with the Authority's system and participate in one of the Net Metering Programs, if applicable, upon receipt of the _____, with their respective supporting documents. The request
(date)
completed is included as Exhibit 1 and is incorporated into this Agreement.

1.4 If the Client does not own the property where the GD will be installed, he/she must include the Affidavit document of the Property Owner(s), sworn before a notary public, authorizing such installation on his/her property.

1.5 The Customer intends to interconnect the DG with the Authority's system, and the Authority will permit such interconnection subject to the terms and conditions set forth in the following documents: (1) Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in Net Metering Programs (Regulations); (2) Application completed and reviewed by the Authority; (3) Regulations General Terms and Conditions for the Supply of Electric Power, and (4) this Agreement.

1.6 The GD will be permanently located in _____ _____, with the account number of the Authority _____ and accepted the _____ rate. The capacity of the DG is _____ kW AC, as presented in the endorsed plans of the electrical installations, as applicable. The endorsed plans are included as Exhibit 2 and are incorporated into this Agreement.

1.7 The electric service provided under this Agreement shall be ____fásico, at a frequency of 60 Hz and at a voltage of _____ volts.

1.8 This Agreement does not constitute an agreement for the purchase or distribution of Customer's energy. The purchase or distribution of energy and other services that the Customer requires will be established under other contracts or agreements, as applicable.

1.9 The provisions of this Agreement shall not affect other agreements that exist between the Authority and the Client.

2. EFFECTIVE DATE, VALIDITY AND TERMINATION

2.1 This Agreement is effective on the date signed by both Parties and shall be in effect[1]:

☐ as long as the Client maintains a Contract for the Supply of Electric Energy in force with the Authority on the property where the DG is located.

☐ for a period of _____ (___) years from the effective date.

2.2 The metering and crediting of the energy consumed and exported by the Customer in the applicable Net Metering Program will be effective at the beginning of the billing period following the installation or configuration of the meter. The effective date will be _____.
(date)

2.3 This Agreement shall terminate: (a) by mutual agreement of the Parties, (b) if replaced by another Agreement, (c) if Customer's electric service is terminated or transferred, (d) if Customer fails to comply with any of the periodic DG tests, whether required by the Authority every five (5) years or recommended by the manufacturer, as applicable, or (e) either Party is in breach of this Agreement as set forth in Article 13 hereof.

2.4 The Authority may, at any time, terminate, cancel or accelerate the expiration of this Agreement, upon prior notice, in the event that the Client fails to perform any of its obligations under this Agreement. The exercise of the right to terminate, cancel or terminate this Agreement shall not be construed as a waiver by the Authority of any additional remedies provided by this Agreement or by law for cases of delay or failure to perform Client's contractual obligations.

2.5 The Client may maintain the validity of this Agreement or renew it for additional periods, if applicable, for which purpose it shall provide evidence of the periodic tests carried out on the DG in service every five (5) years. For inverter-based DG with a capacity of up to twenty-five kilowatts (25 kW), these periodic tests are not required, but the Authority reserves the right to inspect the same. In these cases, the Customer is responsible for providing the Authority with evidence that it performed the tests recommended by the manufacturer or by the best practices of the electrical industry.

2.6 Upon termination of this Agreement, the Client shall permanently disconnect the DG from the Authority's system to prevent any possibility of its parallel operation in the future. The Authority reserves the right to inspect the Customer's facility to verify that the DG is permanently disconnected. After such disconnection, if the Client is interested in reconnecting the GD, he has to request a new evaluation from the Authority.

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[1] El Cliente tiene la opción de escoger si desea un Acuerdo que permanezca vigente mientras mantenga activo el contrato de servicio de electricidad en el predio donde ubica el GD o si prefiere un término fijo establecido en años, el cual debe ser un mínimo de cinco (5) años.

2.7 In the event that the Customer wishes to permanently disconnect the DG from the Authority's system and terminate the Agreement, it shall notify the Distribution Engineering Department of the region where the DG is installed in writing at least twenty (20) days in advance. In those cases where the Customer signed the Agreement electronically, it may notify the Authority of its determination to disconnect or request the termination of the Agreement electronically. The applicable method of notice, as entered into by the Agreement, does not affect or limit Customer's obligations under this Agreement.

3. INTERCONNECTION

3.1 The interconnection of the DG is conditional on the Client complying with the requirements of the Regulation and Law 114-2007, as amended, if applicable.

3.2 The Customer shall be responsible for the costs of upgrades necessary for the interconnection of the DG with the Authority's system, including, but not limited to: interconnection equipment, transformers, manual switch, and protection and control, metering, and safety systems, as applicable.

3.3 During the term of this Agreement, the Customer shall be responsible for maintaining the DG in optimal and safe operating condition, and for diligently replacing any system components that need to be replaced to ensure that the operation and interconnection of the system does not pose any danger to the life or property of the Customer or any third party, and does not affect the safety and reliability of the power grid.

3.4 Approvals granted by the Authority pursuant to this Agreement do not constitute a warranty to the Customer or any third party as to the safety, durability, reliability, performance or suitability of the Customer's generation facilities, their protection and control devices, or the design, construction, installation or operation thereof.

3.5 The Authority may install survey equipment at the Customer's premises from the point of delivery of the energy.

3.6 The interconnection of the DG is conditioned on the fact that it does not cause voltage or frequency fluctuations outside the acceptable parameters of the Authority, flickering (*voltage flicker*), voltage drops (*voltage sags*), interruptions, ferroressonance, harmonic distortion, transient phenomena, problems with the quality of the electrical signal or any unsafe conditions, which may affect customers in the area, other GDs or the Authority's system. In the event that at any time the DG is found to cause any of these conditions, the Authority may require the Customer to modify its design, install the necessary protection and control equipment, limit the operation of the DG or disconnect it from the Authority's system until the situation is corrected. Otherwise, the Authority will disconnect the DG until it is corrected. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be

made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

3.7 The Authority may disconnect the DG from the electricity distribution system or limit its operation at any time, under the following conditions:

A. No notification:

1) In emergency events or to correct unsafe operating conditions.

2) If it is determined that the GD does not comply with the technical requirements detailed in the Regulation.

B. By notification sent in digital file with PDF format, at least thirty (30) days in advance:

1) To carry out routine maintenance, repair or modification work to the Authority's electrical system.

2) Upon expiration or termination of this Agreement.

C. By means of notification sent in a digital file in PDF format, at least sixty (60) days in advance, if the Client is determined to be non-compliant with any of the provisions of the Regulation that are not technical requirements. If Customer is unable to correct the breach within sixty (60) calendar days, but begins the correction within twenty (20) days of notification and provides evidence that it has worked continuously and diligently to complete it, it will have a maximum of six (6) months to complete the same.

Disconnection from the DG does not imply that the Authority will immediately cancel the Agreement. If the condition is not corrected within the time indicated, the Authority may terminate the Agreement as set forth in Article 2 of this Agreement. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

4. PARTICIPATION IN NET METERING PROGRAMS

4.1 In order to participate in one of the Net Metering Programs, the Client shall at all times comply with the provisions of the Regulation.

4.2 The interconnection of the DG in parallel with the Authority's electric distribution system does not entitle the Customer to use its system for the distribution or sale of energy to other customers of the Authority, with the exception of participants in the Shared Net Metering Program, in which energy may be distributed among several customers.

4.3 Aggregate Net Metering Program - All service agreements must be included in one account. All properties must have electricity service at the same voltage level. The Customer's properties to which the energy is to be credited must be located in the same location where the DG is installed or in other locations that are interconnected to the same power line at a distance of no more than two (2) miles from the DG.

4.4 Shared Net Metering Program - The properties of the customers to which the energy is to be credited must be located in the same locality where the DG is installed. All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. Each participating Customer who is not the owner of the GD must sign an Agreement for Participation in the Net Shared Metering Program.

5. ENERGY METERING AND BILLING

5.1 The billing of the energy consumed by the Customer and the credit for the energy it exports will be made on the basis of the net consumption and net export of energy by the Customer. Energy consumed and exported by Customer will be measured and credited as described below, except where otherwise expressly and specifically directed by federal law or regulation.

5.2 The energy compensation will be effective at the beginning of the billing period following the installation or configuration of the meter.

5.3 For Customers with existing electrical installations, the meter must be in an accessible location and, if it is not, the Customer shall be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be carried out remotely. Testing and readings to such meter shall be in accordance with the practices of the Authority.

5.4 In each billing period, the Authority shall measure the energy consumed by the Customer and the energy exported to the Authority's electricity system.

5.5 If during the billing period, the Authority supplies the Customer with more energy than the Customer exports, the Customer will be charged for its net consumption (the result of which is the result of the Revenue Export).

by subtracting from the energy consumed by the Customer the energy exported by the Customer to the Authority's system and any energy export credits, if any).

5.6 If during the billing period, the Customer exports more energy than is supplied by the Authority, the Customer will be charged the minimum bill that corresponds to the tariff to which it is entitled. The minimum bill is the amount that the Authority charges the Customer who does not consume electricity during a billing period. The Authority shall credit the Customer for excess energy during the billing period up to a daily maximum of three hundred kilowatt-hours (300 kWh) for residential customers and ten megawatt-hours (10 MWh) for commercial customers. The energy export credit will be applied to the bill for the next billing period. The excess is the amount resulting when the energy exported by the Customer to the Authority's system and any previously accrued energy export credits, if any, are subtracted from the energy consumed by the Customer.

5.7 Any energy export credits accrued by Customer during the previous year that have not been used at the close of the billing period, in June of each year, will be offset as follows:

A. The Authority shall use the greater of ten (10) cents per kilowatt-hour (kWh) or the amount resulting from subtracting the adjustment fee, converted into cents per kilowatt-hour (kWh) from the total price charged to its customers, converted into cents per kilowatt-hour (kWh).

B. The Authority will credit the Customer for 75% of the surplus and 25% will be credited to the Department of Education's electric bill.

5.8 For customers who participate in the Aggregate Net Metering Program, in addition to the provisions of the previous paragraphs, the following applies:

A. Properties located in the same locality – The maximum amount of energy to be credited to all service agreements added within the locality where the DG is located is equal to 100% of the consumption of the properties in the locality. This energy will be credited first to the service agreement associated with the DG and the excess will be credited equally to the rest of the service agreements that are in the same account.

B. Properties located in different locations – The maximum amount of energy to be credited to all aggregated service agreements is equal to 120% of the consumption of the properties in the location where the DG is located. 100% of the consumption of the properties in the locality where the DG is located will be credited and the remaining 20% of the energy production will be credited equally to the service agreements in the other localities that are in the same account.

5.9 For customers participating in the Shared Net Metering Program, in addition to the provisions of paragraphs 5.1 to 5.7 of this Article, 100% of the energy produced by the DG will be credited equally among all participants of this program.

6. OBLIGATIONS AND DUTIES OF THE CLIENT

6.1 The Client will start the operation in parallel of the GD with the Authority, after the interconnection is approved by it, sign this Agreement and comply with any other requirements necessary for the interconnection of the project, such as the Permit of Use for those projects that require it. The Authority reserves the right to have an authorized representative inspect the DG facility, as appropriate.

Exception: GD Customers with a capacity of 10 kW or less may interconnect once they sign this Agreement, meet all technical requirements, and have received Electrical Installation Certification by the Authority.

6.2 The Client shall be responsible for the design, installation, operation, maintenance and costs of:

A. The DG, which shall be installed in accordance with the Regulations, *National Electrical Code* (NEC), *National Electrical Safety Code* (NESC), Regulations for the Certification of Electrical Construction Project Drawings and other laws, public policy, regulations, manuals, standards, standards, technical communications and standards of the electricity industry in force adopted by the Authority and the applicable regulatory agencies.

B. The protection and control system to protect your facility and the Authority's system from unsafe operating conditions, such as: electrical overload, voltage variations, and fault currents. If an electrical disturbance occurs, protective equipment will disconnect the DG from the Authority's system.

C. The appropriate manual switch for the voltage levels and capable of interrupting the current to which it will be exposed, as applicable. This switch will provide to secure the open position with an Authority padlock.

D. The interconnection equipment required to connect the DG and the equipment necessary to mitigate power quality problems caused by it to the Authority's system or to other customers.

6.3 The Customer shall ensure that the DG does not cause damage to the electric service or the quality of the electrical signal of the Authority or other customers and that it does not interfere with the operation of other DGs, as well as any other equipment.

6.4 Customer shall protect, operate, and maintain the GD in compliance with those practices and methods, as amended and updated, that are commonly used in engineering and electric utilities to ensure safe operation of the GD.

6.5 Acceptance Tests:

A. Before operating the DG in parallel with the Authority's electrical distribution system, the Customer shall test the generator, protection and control system, interconnection switch, manual switch, and equipment necessary to meet the technical requirements, as applicable. The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for it to request additional tests.

B. The Client or its authorized representative is responsible for delivering to the Authority the report of the tests performed, certified by a licensed and chartered electrical engineer, authorized to practice the engineering profession in Puerto Rico, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System. which is included as Annex 3 and is incorporated into this Agreement.

6.6 DG In-Service Testing and Maintenance:

A. Maintenance: During the term of the Agreement, Customer is responsible for operating, maintaining, and repairing all equipment comprising the DG, in

accordance with the manufacturer's instructions, to ensure that it meets applicable electrical industry standards. In addition, it has to test all components related to the interconnection according to the applicable codes, standards and the manufacturer's recommendations. The Authority reserves the right to require evidence of maintenance and test reports from the GD. B. Periodic Tests:

1) Every five years, the Customer has to perform the required periodic tests of the DG, as described in the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System.

2) The Client or its authorized contractor must notify the Regional Inspection Office electronically of the date for testing at least ten business days in advance.

3) The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

4) The Client will provide the Authority with the report of the periodic tests, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System, with the results, digitally signed by a licensed and collegiate electrical engineer.

5) The Authority will not require periodic testing of inverter-based DG systems with a capacity of up to 25 kW, except for tests recommended by the manufacturer or by the best practices of the electricity industry.

C. The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity network, after coordination with the Client, in order to verify that they have not been modified without its authorization.

D. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the Customer of the condition of the operation or installation of the equipment.

6.7 The Client shall provide access to the facilities of the DG so that the Authority's employees may perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c) maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that an emergency exists; have to do work; or detects that it causes voltage or frequency fluctuations, flickering, or power quality issues; (e) any meter-related work from the DG not being accessible and (f) disconnecting the DG under the causes of non-compliance set forth in subsection 13.1 of this Agreement. Once the Authority disconnects the DG,

the Customer will not be able to operate it until the condition that caused the disconnection is corrected and the Authority approves it. Access to Authority personnel will be coordinated in advance with the Client, except when an emergency situation exists.

6.8 Customer must provide a means of disconnection on the AC voltage side of the inverter, as set forth in the National Electrical Code (NEC). In the case of DG with a capacity greater than 300 kW, it is also required to install an external manual switch that is visible and accessible to Authority personnel twenty-four hours a day, without the need for the presence of the customer or operator of the equipment. If this is not accessible to the Authority's personnel, the Client will be obliged to allow and facilitate access to the switch, with prior coordination with the Authority's personnel as required by the Authority. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service, where both the DG and the electrical service that the Authority provides to the Customer will be disconnected.

6.9 Once the Authority endorses the plans of the electrical installations or the proposed DG, if the Client wishes to make changes or modifications, it must electronically notify and provide technical documentation of the equipment to the Distribution Engineering Department of the region where the DG is located before making the modification. The Authority will evaluate the changes to the GD and determine the corresponding action. If the inverter is replaced, even if it is of the same capacity, operational characteristics and technical specifications as the previous one, the certified results of the acceptance tests of the same must be delivered to the Authority. If the modifications or changes result in the increase of AC generation capacity or changes in the type of generator technology, the Customer shall submit a new Application for the evaluation of the proposed project. If the changes or modifications are not related to an increase in AC generation capacity at the Customer's facilities, the Authority will determine whether the Customer can continue to operate under this Agreement. Changes or modifications in the GD protection and control system must be evaluated and approved by the Authority. If the Client modifies the DG without the consent of the Authority, the Authority shall have the right to preventively disconnect it until it verifies that the modifications do not jeopardize the security and reliability of the Authority's system.

6.10 Customer will obtain and maintain all permits and inspections indicating that the GD complies with all applicable building and safety codes.

7. GENERAL PUBLIC LIABILITY INSURANCE

7.1 Customer shall obtain and maintain in force for the duration of this Agreement a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

7.2 Exception – The Customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than three hundred kilowatts (300 kW), with the electric distribution system, is exempt from a General Public Liability Insurance policy. In these cases, the Client has to sign an Agreement for the Waiver of Insurance Requirement.

7.3 The General Public Liability policy shall be endorsed as follows: A. As an additional insured: Electric Power Authority

Risk Management Office

Section 364267

San Juan, PR 00936-4267

B. An endorsement that includes this Agreement under the cover of contractual liability identifying the Parties to the Agreement.

C. Relief of subrogation in favor of the Electric Power Authority.

D. Thirty (30) days' notice of cancellation or non-renewal and acknowledgement of receipt to the above address.

E. Violation of any warranty or condition of this policy shall not prejudice the Electric Power Authority's right under such policy.

7.4 The insurance policy applied for must be submitted in a manner acceptable to the Authority. The Client must provide a certificate of insurance in digital format, originated by an insurance company or agency authorized to conduct business in Puerto Rico, describing the coverage maintained. This certification has to be issued on the *Acord* form, generally used by insurers. In addition, it must include endorsements in digital format.

7.5 This policy must be renewed annually and submitted to the Authority. In the event that this policy renewal requirement is not met, the Authority will immediately cancel the Agreement.

8. ASSIGNMENT OF THE AGREEMENT

In the event that the electric service account holder on the property where the DG is installed changes, the new Customer must sign a new Agreement with the Authority. In this way, the Client will assign the rights and obligations contracted under the current Agreement to the new account holder, without having to process a new interconnection and net metering request. The Authority will disconnect the DG until the new holder signs the Agreement. If the new Agreement is signed at the time of cancellation of the previous one, it will not be necessary to disconnect the DG.

9. APPLICABLE LAW AND COMPETENT COURTS

This Agreement shall be subject to and construed by the laws of the Commonwealth of Puerto Rico. In addition, the Contracting Parties expressly agree that disputes arising between them in connection with this Agreement shall be governed by the provisions of Section XI: Appellate Procedure of the Regulations.

10. RESPONSIBILITY

The Parties agree that their respective liability for damages in this Agreement shall be as established by the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.

11. RELEASE OF RESPONSIBILITY

The Client agrees to release and hold harmless and indemnify the Authority for all expenses and costs of any nature, including attorneys' fees, incurred by the Authority arising out of or arising out of claims by third parties for personal injury, including death, or damage to property, but which damages were caused by the Client's acts or omissions in the performance or failure to perform its obligations under this Agreement. This provision shall survive any termination or expiration of this Agreement.

12. FORCE MAJEURE

The Contracting Parties shall excuse themselves from the performance of their contractual obligations and shall not be liable for damages or any other reason, insofar as their breach is due to a force majeure event. For purposes of this Agreement, force majeure means any cause not attributable to the fault or negligence, and beyond the control, of the Party claiming the occurrence of a force majeure event. Force Majeure may include, but not be limited to, the following: industrial disturbances, acts of the public enemy, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruption of services due to the acts or omissions of any public authority; provided that these events, or any other that is claimed as a force majeure event, and/or their effects, are beyond the control and are not the result of the fault or negligence of the Party claiming the occurrence of a force majeure event, and that said Party, within ten (10) days, counted from the occurrence of the alleged force majeure, notify the other Party in writing describing the details of the event and its estimated duration. The burden of proof, as to whether or not a force majeure event occurred, will be on the Party claiming that it occurred.

13. CAUSES OF NON-COMPLIANCE; REMEDIES

13.1 Violation of any of the terms and conditions of this Agreement, of the Regulations or the Regulations General Terms and Conditions for the Supply of Electric Power, will give the Authority the right to disconnect the DG. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service.

13.2 Notwithstanding anything provided in this Agreement, each Party's liability shall be limited only to direct damages and at no time shall the Parties be liable for incidental, punitive, consequential or indirect damages.

13.3 The Authority shall not be liable for damage due to fluctuations or interruptions of the Authority's system. This provision shall survive the expiration or termination of this Agreement.

14. SEPARABILITY

If any provision of this Agreement is declared void or invalid by any court having jurisdiction and competence, it shall not affect the validity and enforceability of the remaining provisions of this Agreement and the Contracting Parties agree to perform their obligations under such provisions not affected by a judicial determination of nullity or invalidity.

15. AMENDMENTS AND MODIFICATIONS

This Agreement may only be amended or modified in writing and by mutual agreement between the Parties.

16. NOTIFICATIONS

Any notice required to be given by the Contracting Parties pursuant to this Agreement shall be sent in writing and shall be deemed to have been duly effective upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

_____
(Postal address)

_____
(Postal address)

Attention: _____
(Name)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any qualms and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority: Client:

Employer Social Security: 660-43-3747

_____
(Name of Distribution Engineering Department Representative)

_____
(Title)

_____
(Signature)

_____
(Date)

_____
(Name of Government Entity)

_____
(Employer Social Security)

_____
(Authorized Representative Name)

_____
(Signature)

_____
(Date)

In the event that the Client is interested in participating in the Net Metering Program, the following approval is required:

_____
(Name of Commercial Office Representative)

_____
(Title)

_____
(Signature)

_____
(Date)

ANNEX H

Commonwealth of Puerto Rico
Puerto Rico Electric Power Authority

Agreement to Interconnect Generators with the Electric Distribution System of the Electric Power Authority and Participate in the Net Metering Program
MUNICIPALITIES

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Authorized Representative: _____, _____, of the
(name) (title)
Department of Distribution Engineering of the _____ region.
In those projects where you are interested in participating in the Net Metering Program, the
Authority also is represented By: _____,
(name)
_____, of the Commercial Office _____.
(title)

FROM THE OTHER PARTY: The Municipal Government of _____, hereinafter
(town) called "the Client", represented in this act by its Mayor, Hon._____, of legal age, _____, who
(full name) (marital status) appears in accordance with the powers conferred on it by the Law on Autonomous Municipalities, Law No. 81 of August 30, 1991, as amended, and _____ No. _____ of the _____.
(Ordinance or Resolution) (date)

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. SCOPE OF THE AGREEMENT

The interconnection of the Customer's own generation with the Authority's electric distribution system (the Authority's system) and its voluntary participation in one of the Net Metering Programs, for systems with a capacity of up to one megawatt (1 MW) using renewable sources of energy, shall be in accordance with the provisions of this Agreement and its annexes, which are an essential part of the following terms and conditions:

1.1 The Client intends to build, own, maintain and operate a distributed generation (DG) system, which will operate in parallel with the Authority's system.

1.2 The Client will participate in:

- ☐ Basic Net Metering Program
- ☐ Aggregate Net Metering Program
- ☐ Shared Net Metering Program
- ☐ None

1.3 The Authority previously reviewed the corresponding evaluation request (Application) to interconnect the DG with the Authority's system and participate in one of the Net Metering Programs, if applicable, upon receipt of the _____, with their respective supporting documents. The request
(date)
completed is included as Exhibit 1 and is incorporated into this Agreement.

1.4 If the Client does not own the property where the GD will be installed, he/she must include the Affidavit document of the Property Owner(s), sworn before a notary public, authorizing such installation on his/her property.

1.5 The Customer intends to interconnect the DG with the Authority's system, and the Authority will permit such interconnection subject to the terms and conditions set forth in the following documents: (1) Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in Net Metering Programs (Regulations); (2)
Application completed and reviewed by the Authority; (3) Regulations Terms and Conditions
General Terms and Conditions for the Supply of Electric Power, and (4) this Agreement.

1.6 The GD will be permanently located in _____ _____, with the account number of the Authority _____ and accepted the _____ rate. The capacity of the DG is _____ kW AC, as presented in the endorsed plans of the electrical installations, as applicable. The endorsed plans are included as Exhibit 2 and are incorporated into this Agreement.

1.7 The electric service provided under this Agreement shall be ____fásico, at a frequency of 60 Hz and at a voltage of _____ volts.

1.8 This Agreement does not constitute an agreement for the purchase or distribution of Customer's energy. The purchase or distribution of energy and other services that the Customer requires will be established under other contracts or agreements, as applicable.

1.9 The provisions of this Agreement shall not affect other agreements that exist between the Authority and the Client.

2. EFFECTIVE DATE, VALIDITY AND TERMINATION

2.1 This Agreement is effective on the date signed by both Parties and shall be in effect[1]:

☐ as long as the Client maintains a Contract for the Supply of Electric Energy in force with the Authority on the property where the DG is located.

☐ for a period of _____ (___) years from the effective date.

2.2 The metering and crediting of the energy consumed and exported by the Customer in the applicable Net Metering Program will be effective at the beginning of the billing period following the installation or configuration of the meter. The effective date will be _____.
(date)

2.3 This Agreement shall terminate: (a) by mutual agreement of the Parties, (b) if replaced by another Agreement, (c) if Customer's electric service is terminated or transferred, (d) if Customer fails to comply with any of the periodic DG tests, whether required by the Authority every five (5) years or recommended by the manufacturer, as applicable, or (e) either Party is in breach of this Agreement as set forth in Article 13 hereof.

2.4 The Authority may, at any time, terminate, cancel or accelerate the expiration of this Agreement, upon prior notice, in the event that the Client fails to perform any of its obligations under this Agreement. The exercise of the right to terminate, cancel or terminate this Agreement shall not be construed as a waiver by the Authority of any additional remedies provided by this Agreement or by law for cases of delay or failure to perform Client's contractual obligations.

2.5 The Client may maintain the validity of this Agreement or renew it for additional periods, if applicable, for which purpose it shall provide evidence of the periodic tests carried out on the DG in service every five (5) years. For inverter-based DG with a capacity of up to twenty-five kilowatts (25 kW), these periodic tests are not required, but the Authority reserves the right to inspect the same. In these cases, the Customer is responsible for providing the Authority with evidence that it performed the tests recommended by the manufacturer or by the best practices of the electrical industry.

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[1] El Cliente tiene la opción de escoger si desea un Acuerdo que permanezca vigente mientras mantenga activo el contrato de servicio de electricidad en el predio donde ubica el GD o si prefiere un término fijo establecido en años, el cual debe ser un mínimo de cinco (5) años.

2.6 Upon termination of this Agreement, the Client shall permanently disconnect the DG from the Authority's system to prevent any possibility of its parallel operation in the future. The Authority reserves the right to inspect the Customer's facility to verify that the DG is permanently disconnected. After such disconnection, if the Client is interested in reconnecting the GD, he has to request a new evaluation from the Authority.

2.7 In the event that the Customer wishes to permanently disconnect the DG from the Authority's system and terminate the Agreement, it shall notify the Distribution Engineering Department of the region where the DG is installed in writing at least twenty (20) days in advance. In those cases where the Customer signed the Agreement electronically, it may notify the Authority of its determination to disconnect or request the termination of the Agreement electronically. The applicable method of notice, as entered into by the Agreement, does not affect or limit Customer's obligations under this Agreement.

3. INTERCONNECTION

3.1 The interconnection of the DG is conditional on the Client complying with the requirements of the Regulation and Law 114-2007, as amended, if applicable.

3.2 The Customer shall be responsible for the costs of upgrades necessary for the interconnection of the DG with the Authority's system, including, but not limited to: interconnection equipment, transformers, manual switch, and protection and control, metering, and safety systems, as applicable.

3.3 During the term of this Agreement, the Customer shall be responsible for maintaining the DG in optimal and safe operating condition, and for diligently replacing any system components that need to be replaced to ensure that the operation and interconnection of the system does not pose any danger to the life or property of the Customer or any third party, and does not affect the safety and reliability of the power grid.

3.4 Approvals granted by the Authority pursuant to this Agreement do not constitute a warranty to the Customer or any third party as to the safety, durability, reliability, performance or suitability of the Customer's generation facilities, their protection and control devices, or the design, construction, installation or operation thereof.

3.5 The Authority may install survey equipment at the Customer's premises from the point of delivery of the energy.

3.6 The interconnection of the DG is conditioned on the fact that it does not cause voltage or frequency fluctuations outside the acceptable parameters of the Authority, flickering (*voltage flicker*), voltage drops (*voltage sags*), interruptions, ferroressonance, harmonic distortion, transient phenomena, problems with the quality of the electrical signal or any unsafe conditions, which may affect customers in the area, other GDs or the Authority's system. In the event that at any time the DG is found to cause any of these conditions, the Authority may require the

Customer to modify its design, install the necessary protection and control equipment, limit the operation of the DG or disconnect it from the Authority's system until the situation is corrected. Otherwise, the Authority will disconnect the DG until it is corrected. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

3.7 The Authority may disconnect the DG from the electricity distribution system or limit its operation at any time, under the following conditions:

A. No notification:

1) In emergency events or to correct unsafe operating conditions.

2) If it is determined that the GD does not comply with the technical requirements detailed in the Regulation.

B. By notification sent in digital file with PDF format, at least thirty (30) days in advance:

1) To carry out routine maintenance, repair or modification work to the Authority's electrical system.

2) Upon expiration or termination of this Agreement.

C. By means of notification sent in a digital file in PDF format, at least sixty (60) days in advance, if the Client is determined to be non-compliant with any of the provisions of the Regulation that are not technical requirements. If Customer is unable to correct the breach within sixty (60) calendar days, but begins the correction within twenty (20) days of notification and provides evidence that it has worked continuously and diligently to complete it, it will have a maximum of six (6) months to complete the same.

Disconnection from the DG does not imply that the Authority will immediately cancel the Agreement. If the condition is not corrected within the time indicated, the Authority may terminate the Agreement as set forth in Article 2 of this Agreement. In those facilities that do not have a manual switch or that do not provide access to the Authority's personnel to operate it, the disconnection will be made from the point of delivery of the electric power service, which would interrupt the electrical service provided by the Authority to the Customer.

4. PARTICIPATION IN NET METERING PROGRAMS

4.1 In order to participate in one of the Net Metering Programs, the Client shall at all times comply with the provisions of the Regulation.

4.2 The interconnection of the DG in parallel with the Authority's electric distribution system does not entitle the Customer to use its system for the distribution or sale of energy to other customers of the Authority, with the exception of participants in the Shared Net Metering Program, in which energy may be distributed among several customers.

4.3 Aggregate Net Metering Program - All service agreements must be included in one account. All properties must have electricity service at the same voltage level. The Customer's properties to which the energy is to be credited must be located in the same location where the DG is installed or in other locations that are interconnected to the same power line at a distance of no more than two (2) miles from the DG.

4.4 Shared Net Metering Program - The properties of the customers to which the energy is to be credited must be located in the same locality where the DG is installed. All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. Each participating Customer who is not the owner of the GD must sign an Agreement for Participation in the Net Shared Metering Program.

5. ENERGY METERING AND BILLING

5.1 The billing of the energy consumed by the Customer and the credit for the energy it exports will be made on the basis of the net consumption and net export of energy by the Customer. Energy consumed and exported by Customer will be measured and credited as described below, except where otherwise expressly and specifically directed by federal law or regulation.

5.2 The energy compensation will be effective at the beginning of the billing period following the installation or configuration of the meter.

5.3 For Customers with existing electrical installations, the meter must be in an accessible location and, if it is not, the Customer shall be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be done remotely. Testing and readings to such meter shall be in accordance with the practices of the Authority.

5.4 In each billing period, the Authority shall measure the energy consumed by the Customer and the energy exported to the Authority's electricity system.

5.5 If, during the billing period, the Authority supplies the Customer with more energy than the Customer exports, the Customer will be charged for its net consumption (the result of subtracting from the energy consumed by the Customer the energy exported by the Customer to the Authority's system and any energy export credits, if any).

5.6 If during the billing period, the Customer exports more energy than is supplied by the Authority, the Customer will be charged the minimum bill that corresponds to the tariff to which it is entitled. The minimum bill is the amount that the Authority charges the Customer who does not consume electricity during a billing period. The Authority shall credit the Customer for excess energy during the billing period up to a daily maximum of three hundred kilowatt-hours (300 kWh) for residential customers and ten megawatt-hours (10 MWh) for commercial customers. The energy export credit will be applied to the bill for the next billing period. The excess

is the amount resulting when the energy exported by the Customer to the Authority's system and any previously accrued energy export credits, if any, are subtracted from the energy consumed by the Customer.

5.7 Any energy export credits accrued by Customer during the previous year that have not been used at the close of the billing period, in June of each year, will be offset as follows:

A. The Authority shall use the greater of ten (10) cents per kilowatt-hour (kWh) or the amount resulting from subtracting the adjustment fee, converted into cents per kilowatt-hour (kWh) from the total price charged to its customers, converted into cents per kilowatt-hour (kWh).

B. The Authority will credit the Customer for 75% of the surplus and 25% will be credited to the Department of Education's electric bill.

5.8 For customers who participate in the Aggregate Net Metering Program, in addition to the provisions of the previous paragraphs, the following applies:

A. Properties located in the same locality – The maximum amount of energy to be credited to all service agreements added within the locality where the DG is located is equal to 100% of the consumption of the properties in the locality. This energy will be credited first to the service agreement associated with the DG and the excess will be credited equally to the rest of the service agreements that are in the same account.

B. Properties located in different locations – The maximum amount of energy to be credited to all aggregated service agreements is equal to 120% of the consumption of the properties in the location where the DG is located. 100% of the consumption of the properties in the locality where the DG is located will be credited and the remaining 20% of the energy production will be credited equally to the service agreements in the other localities that are in the same account.

5.9 For customers participating in the Shared Net Metering Program, in addition to the provisions of paragraphs 5.1 to 5.7 of this Article, 100% of the energy produced by the DG will be credited equally among all participants of this program.

6. OBLIGATIONS AND DUTIES OF THE CLIENT

6.1 The Client will start the operation in parallel of the GD with the Authority, after the interconnection is approved by it, sign this Agreement and comply with any other requirements necessary for the interconnection of the project, such as the Permit of Use for those projects that require it. The Authority reserves the right to have an authorized representative inspect the DG facility, as appropriate.

Exception: GD Customers with a capacity of 10 kW or less may interconnect once they sign this Agreement, meet all technical requirements, and have received Electrical Installation Certification by the Authority.

6.2 The Client shall be responsible for the design, installation, operation, maintenance and costs of:

A. The DG, which shall be installed in accordance with the Regulations, *National Electrical Code* (NEC), *National Electrical Safety Code* (NESC), Regulations for the Certification of Electrical Construction Project Drawings and other laws, public policy, regulations, manuals, standards, standards, technical communications and standards of the electricity industry in force adopted by the Authority and the applicable regulatory agencies.

B. The protection and control system to protect your facility and the Authority's system from unsafe operating conditions, such as: electrical overload, voltage variations, and fault currents. If an electrical disturbance occurs, protective equipment will disconnect the DG from the Authority's system.

C. The appropriate manual switch for the voltage levels and capable of interrupting the current to which it will be exposed, as applicable. This switch will provide to secure the open position with an Authority padlock.

D. The interconnection equipment required to connect the DG and the equipment necessary to mitigate power quality problems caused by it to the Authority's system or to other customers.

6.3 The Customer shall ensure that the DG does not cause damage to the electric service or the quality of the electrical signal of the Authority or other customers and that it does not interfere with the operation of other DGs, as well as any other equipment.

6.4 Customer shall protect, operate, and maintain the GD in compliance with those practices and methods, as amended and updated, that are commonly used in engineering and electric utilities to ensure safe operation of the GD.

6.5 Acceptance Tests:

A. Before operating the DG in parallel with the Authority's electrical distribution system, the Customer shall test the generator, protection and control system, interconnection switch, manual switch, and equipment necessary to meet the technical requirements, as applicable. The Authority reserves the right to witness the tests. The Authority's failure to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for it to request additional tests.

B. The Client or its authorized representative is responsible for delivering to the Authority the report of the tests performed, certified by a licensed and chartered electrical engineer, authorized to practice the engineering profession in Puerto Rico, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA

Electric Distribution System. which is included as Annex 3 and is incorporated into this Agreement.

6.6 DG In-Service Testing and Maintenance:

A. Maintenance: During the term of the Agreement, Customer is responsible for operating, maintaining, and repairing all equipment comprising the DG, in accordance with the manufacturer's instructions, to ensure that it meets applicable electrical industry standards. In addition, it has to test all components related to the interconnection according to the applicable codes, standards and the manufacturer's recommendations. The Authority reserves the right to require evidence of maintenance and test reports from the GD. B. Periodic Tests:

1) Every five years, the Customer has to perform the required periodic tests of the DG, as described in the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with PREPA's Electric Distribution System.

2) The Client or its authorized contractor must notify the Regional Inspection Office electronically of the date for testing at least ten business days in advance.

3) The Authority reserves the right to witness the tests. The failure of the Authority to appear at the tests carried out, which have been duly notified by the contractor, shall not be cause for the Authority to request that the tests be repeated.

4) The Client will provide the Authority with the report of the periodic tests, through the document Certification of Tests for Distributed Generation (DG) Systems to Interconnect with the PREPA Electric Distribution System, with the results, digitally signed by a licensed and collegiate electrical engineer.

5) The Authority will not require periodic testing of inverter-based DG systems with a capacity of up to 25 kW, except for tests recommended by the manufacturer or by the best practices of the electricity industry.

C. The Authority reserves the right to carry out physical inspections of the DGs interconnected with its electricity network, after coordination with the Client, in order to verify that they have not been modified without its authorization.

D. Inspections and approvals performed by the Authority do not constitute a guarantee or release of liability to the Customer of the condition of the operation or installation of the equipment.

6.7 The Client shall provide access to the facilities of the DG so that the Authority's employees may perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c)

maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that an emergency exists; have to do work; or detects that it causes voltage or frequency fluctuations, flickering, or power quality issues; (e) any meter-related work from the DG not being accessible and (f) disconnecting the DG under the causes of non-compliance set forth in subsection 13.1 of this Agreement. Once the Authority disconnects the DG, the Customer will not be able to operate it until the condition that caused the disconnection is corrected and the Authority approves it. Access to Authority personnel will be coordinated in advance with the Client, except when an emergency situation exists.

6.8 Customer must provide a means of disconnection on the AC voltage side of the inverter, as set forth in the National Electrical Code (NEC). In the case of DG with a capacity greater than 300 kW, it is also required to install an external manual switch that is visible and accessible to the Authority's personnel twenty-four hours a day, without the need for the presence of the customer or equipment operator. If this is not accessible to the Authority's personnel, the Client will be obliged to allow and facilitate access to the switch, with prior coordination with the Authority's personnel as required by the Authority. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service, where both the DG and the electrical service that the Authority provides to the Customer will be disconnected.

6.9 Once the Authority endorses the plans of electrical installations or the proposed DG, if the Client wishes to make changes or modifications, it must electronically notify and provide technical documentation of the equipment to the Distribution Engineering Department of the region where the DG is located before making the modification. The Authority will evaluate the changes to the GD and determine the corresponding action. If the inverter is replaced, even if it is of the same capacity, operational characteristics and technical specifications as the previous one, the certified results of the acceptance tests of the same must be delivered to the Authority. If the modifications or changes result in the increase of AC generation capacity or changes in the type of generator technology, the Customer shall submit a new Application for the evaluation of the proposed project. If the changes or modifications relate to an increase in AC generation capacity at the Customer's facilities, the Authority will determine whether the Customer can continue to operate under this Agreement. Changes or modifications in the GD protection and control system must be evaluated and approved by the Authority. If the Client modifies the DG without the consent of the Authority, the Authority shall have the right to preventively disconnect it until it verifies

that the modifications do not jeopardize the security and reliability of the Authority's system.

6.10 Customer will obtain and maintain all permits and inspections indicating that the GD complies with all applicable building and safety codes.

7. GENERAL PUBLIC LIABILITY INSURANCE

7.1 Customer shall obtain and maintain in force for the duration of this Agreement a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

7.2 Exception – The Customer who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than three hundred kilowatts (300 kW), with the electric distribution system, is exempt from a General Public Liability Insurance policy. In these cases, the Client has to sign an Agreement for the Waiver of Insurance Requirement.

7.3 The General Public Liability policy shall be endorsed as follows: A. As an additional insured: Electric Power Authority

Risk Management Office

Section 364267

San Juan, PR 00936-4267

B. An endorsement that includes this Agreement under the cover of contractual liability identifying the Parties to the Agreement.

C. Relief of subrogation in favor of the Electric Power Authority.

D. Thirty (30) days' notice of cancellation or non-renewal and acknowledgement of receipt to the above address.

E. Violation of any warranty or condition of this policy shall not prejudice the Electric Power Authority's right under such policy.

7.4 The insurance policy applied for must be submitted in a manner acceptable to the Authority. The Client must provide a certificate of insurance in digital format, originated by an insurance company or agency authorized to conduct business in Puerto Rico, describing the coverage maintained. This certification has to be issued on the *Acord* form, generally used by insurers. In addition, it must include endorsements in digital format.

7.5 This policy must be renewed annually and submitted to the Authority. In the event that this policy renewal requirement is not met, the Authority will immediately cancel the Agreement.

8. ASSIGNMENT OF THE AGREEMENT

In the event that the electric service account holder on the property where the DG is installed changes, the new Customer must sign a new Agreement with the

Authority. In this way, the Client will assign the rights and obligations contracted under the current Agreement to the new account holder, without having to process a new interconnection and net metering request. The Authority will disconnect the DG until the new holder signs the Agreement. If the new Agreement is signed at the time of cancellation of the previous one, it will not be necessary to disconnect the DG.

9. APPLICABLE LAW AND COMPETENT COURTS

This Agreement shall be subject to and construed by the laws of the Commonwealth of Puerto Rico. In addition, the Contracting Parties expressly agree that disputes arising between them in connection with this Agreement shall be governed by the provisions of Section XI: Appellate Procedure of the Regulations.

10. RESPONSIBILITY

The Parties agree that their respective liability for damages in this Agreement shall be as established by the Civil Code of Puerto Rico and the jurisprudence of the Supreme Court of Puerto Rico.

11. RELEASE OF RESPONSIBILITY

The Client agrees to release and hold harmless and indemnify the Authority for all expenses and costs of any nature, including attorneys' fees, incurred by the Authority arising out of or arising out of claims by third parties for personal injury, including death, or damage to property, but which damages were caused by the Client's acts or omissions in the performance or failure to perform its obligations under this Agreement. This provision shall survive any termination or expiration of this Agreement.

12. FORCE MAJEURE

The Contracting Parties shall excuse themselves from the performance of their contractual obligations and shall not be liable for damages or any other reason, insofar as their breach is due to a force majeure event. For purposes of this Agreement, force majeure means any cause not attributable to the fault or negligence, and beyond the control, of the Party claiming the occurrence of a force majeure event. Force Majeure may include, but not be limited to, the following: industrial disturbances, acts of the public enemy, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruption of services due to the acts or omissions of any public authority; provided that these events, or any other that is claimed as a force majeure event, and/or their effects, are beyond the control and are not the result of

the fault or negligence of the Party claiming the occurrence of a force majeure event, and that said Party, within ten (10) days, counted from the occurrence of the alleged force majeure, notify the other Party in writing describing the details of the event and its estimated duration. The burden of proof, as to whether or not a force majeure event occurred, will be on the Party claiming that it occurred.

13. CAUSES OF NON-COMPLIANCE; REMEDIES

13.1 Violation of any of the terms and conditions of this Agreement, of the Regulations or the Regulations General Terms and Conditions for the Supply of Electric Power, will give the Authority the right to disconnect the DG. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service.

13.2 Notwithstanding anything provided in this Agreement, each Party's liability shall be limited only to direct damages and at no time shall the Parties be liable for incidental, punitive, consequential or indirect damages.

13.3 The Authority shall not be liable for damage due to fluctuations or interruptions of the Authority's system. This provision shall survive the expiration or termination of this Agreement.

14. SEPARABILITY

If any provision of this Agreement is declared void or invalid by any court having jurisdiction and competence, it shall not affect the validity and enforceability of the remaining provisions of this Agreement and the Contracting Parties agree to perform their obligations under such provisions not affected by a judicial determination of nullity or invalidity.

15. AMENDMENTS AND MODIFICATIONS

This Agreement may only be amended or modified in writing and by mutual agreement between the Parties.

16. NOTIFICATIONS

Any notice required to be given by the Contracting Parties pursuant to this Agreement shall be sent in writing and shall be deemed to have been duly effective upon personal delivery or by mail to the following addresses:

To the Authority: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267

Attention: _____
(Authorized Representative Name)

_____
(Position)

To the Client:

_____
(Customer's Name)

_____
(Postal address)

_____
(Postal address)

Attention: _____
(Name)

Therefore, the participants in this act agree on all the foregoing and finding it in accordance with their wishes, they accept it in all its parts without any qualms and proceed to sign it in _____, Puerto Rico, today ____ of _____, 20___.

Electric Power Authority: Client:

Employer Social Security: 660-43-3747

_____ _____
(Name of Distribution Engineering Department Representative) (Municipality) _____

_____
(Title) (Name Mayor)

_____ _____
(Signature) (Signature) _____

_____
(Date) (Date)

In the event that the Client is interested in participating in the Net Metering Program, the following approval is required:

_____
(Name of Commercial Office Representative)

_____
(Title)

_____
(Signature)

_____
(Date)

ANNEX I:

AGREEMENT TO PARTICIPATE IN THE SHARED NET METERING

ANNEX I Commonwealth of Puerto Rico Puerto Rico Electric Power Authority

Agreement to Participate in the Shared Net Metering Program INDIVIDUALS

APPEAR

ON THE ONE HAND: The Puerto Rico Electric Power Authority, hereinafter referred to as "the Authority," a public corporation and governmental entity of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, represented herein by its Authorized Representative: _____, _____, of
(name) (title) the Commercial Office _____.

OF THE OTHER PARTY: _____, hereinafter referred to as "the Customer", Older of age, _____, _____ and Neighbor of
(full name) (marital status) (profession)

_____.
(address)

The Authority and the Client are sometimes referred to individually as "the Party" and collectively as "the Parties".

TERMS AND CONDITIONS

1. SCOPE OF THE AGREEMENT

The Parties enter into this Shared Net Metering Agreement (Agreement) and its Annexes for the purpose of the Client benefiting from the credit of the energy produced by the common distributed generation (DG) system located in the same locality as its property. Customer acknowledges that in order to remain in the Shared Net Metering Program (Program) it will have to comply with all applicable terms and conditions of the Regulations for Interconnecting Generators with the Electric Distribution System of the Electric Power Authority and Participating in the Net Metering Programs (Regulations), of this Agreement and its Annexes, which are an essential part of the following terms and conditions:

1.1 The Customer intends to use the energy produced by the common DG located in _____, which operates in parallel with the Authority's system pursuant to the Agreement to Interconnect Generators with the Electric Distribution System of the Electric Power Authority and Participate in the Net Metering Programs (Interconnection Agreement) in force between the owner of the DG, _____, and the Authority, the one who becomes a party to this Agreement.

1.2 The Client has a Account with the Authority with Number

_____ and is covered by the _____ rate.

1.3 The provisions of this Agreement shall not affect other agreements that exist between the Authority and the Client.

2. EFFECTIVE DATE, VALIDITY AND TERMINATION

2.1 This Agreement shall be in the same force and effect as the Customer's Electric Power Supply Agreement, unless: (a) it is terminated by mutual agreement of the Parties, (b) it is replaced by another Net Metering agreement, (c) Customer's electric service is terminated, or (d) it is terminated by any of the Parties in any of the Terms and Conditions of this Agreement, as established in Article 12.

2.2 The benefit of crediting the energy produced by the DG and consumed by the Customer in this Program will be effective at the beginning of the billing period following the installation or configuration of the meter. The effective date will be _____.
(date)

2.3 The Authority may, at any time, terminate, cancel or accelerate the expiration of this Agreement, upon prior notice, in the event that the Client fails to perform any of its obligations under this Agreement. The exercise of the right to terminate, cancel or terminate this Agreement shall not be construed as a waiver by the Authority of any additional remedies provided by this Agreement or by law for cases of delay or failure to perform Client's contractual obligations.

3. PARTICIPATION IN THE SHARED NET METERING PROGRAM

3.1 In order for the Client to participate in this Program, the owner of the DG will have to maintain an Interconnection Agreement with the Authority and comply with the requirements for the interconnection of the same and to participate in the Shared Net Metering Program.

3.2 In order to participate in this Programme, the Client must comply at all times with the provisions of the Regulation.

3.3 All properties must have electricity service at the same voltage level and the same Authority delivery point to which the DG is interconnected. The delivery point can be the interconnection transformer in secondary distribution systems or the private substation in primary distribution systems.

4. ENERGY METERING AND BILLING

4.1 The billing of the energy consumed by the Customer and the credit for the energy it exports will be made on the basis of the net consumption and net export of energy by the Customer. The energy consumed and exported by the Customer will be measured and credited in the manner described below, except for those cases in which a federal law or regulation expressly and specifically orders otherwise.

4.2 The energy compensation will be effective at the beginning of the billing period following the installation or configuration of the meter.

4.3 For Customers with existing electrical installations, the meter must be in an accessible location and, if it is not, the Customer shall be obligated with prior coordination to allow the necessary access to the Authority's personnel, as required by the latter. For cases where the meter is not physically accessible, the meter reading can be done remotely. Testing and readings to such meter shall be in accordance with the practices of the Authority.

4.4 In each billing period, the Authority shall measure the energy consumed by the Customer and the energy exported to the Authority's electricity system.

4.5 If, during the billing period, the Authority supplies the Customer with more energy than is credited for its participation in the export of energy from the common DG, it will be charged for its net consumption (the result of subtracting from the energy consumed by the Customer the energy credited for its participation in the export of energy from the common DG and any credits for the export of energy, if any).

4.6 If, during the billing period, the credit for the Customer's share of the common DG energy export is greater than its energy consumption, the Customer will be charged the minimum bill that corresponds to the tariff to which it is entitled. The minimum bill is the amount that the Authority charges the Customer who does not consume electricity during a billing period. The Authority shall credit the Customer for excess energy during the billing period up to a daily maximum of three hundred kilowatt-hours (300 kWh) for residential customers and ten megawatt-hours (10 MWh) for commercial customers. The energy export credit will be applied to the bill for the next billing period. The excess is the amount resulting from the credit for the Customer's participation in the export of energy from the common DG to the Authority's system and any previously accrued energy export credit, if any, is subtracted from the energy consumed by the Authority.

4.7 Any energy export credits accrued by Customer during the previous year that have not been used at the close of the billing period, in June of each year, will be offset as follows:

A. The Authority shall use the greater of ten (10) cents per kilowatt-hour (kWh) or the amount resulting from subtracting the adjustment fee, converted into cents per kilowatt-hour (kWh) from the total price charged to its customers, converted into cents per kilowatt-hour (kWh).

B. The Authority will credit the Customer for 75% of the surplus and 25% will be credited to the Department of Education's electric bill.

4.8 100% of the energy produced by the DG will be credited equally among all participants in this program.

5. OBLIGATIONS AND DUTIES OF THE OWNER OF THE GD

5.1 The owner of the DG shall provide access to the premises of the DG so that employees of the Authority may perform their duties to, but are not limited to: (a) periodically inspect the metering and protection and control systems; (b) read or test instrumentation equipment installed by the Authority; (c) maintain or repair Authority equipment; (d) disconnect the DG when the Authority understands that an emergency exists; have to do work; or detects that it causes voltage or frequency fluctuations, flickering, or power quality issues; (e) any meter-related work from the DG not being in an accessible location and (f) disconnecting the DG under the causes of non-compliance set forth in subsection 12 of this Agreement. Once the Authority disconnects the DG, the owner of the DG will not be able to operate the DG until the condition that caused the disconnection is corrected and the Authority approves it. Access to Authority personnel will be coordinated in advance with the Client, except when an emergency situation exists.

5.2 The Customer must provide a means of disconnection on the AC voltage side of the inverter, as set out in the National Electrical Code (NEC). In the case of DG with a capacity greater than 300 kW, it is also required to install an external manual switch that is visible and accessible to the Authority's personnel twenty-four hours a day, without the need for the presence of the customer or equipment operator. If this is not accessible to the Authority's personnel, the Client will be obliged to allow and facilitate access to the switch, with prior coordination with the Authority's personnel as required by the Authority. In those facilities that do not have a manual switch or that the Client does not provide access to the Authority's personnel to operate it, the disconnection will be carried out from the point of delivery of the electric power service, where both the DG and the electrical service that the Authority provides to the Customer will be disconnected.

5.3 If the owner of the DG modifies the DG without the consent of the Authority, the Authority shall have the right to preventively disconnect the DG until it verifies that the modifications do not jeopardize the security and reliability of the Authority's system.

5.4 The owner of the GD shall obtain and maintain all permits and inspections indicating that the GD complies with all applicable building and safety codes.

6. GENERAL PUBLIC LIABILITY INSURANCE

6.1 The owner of the GD shall obtain and maintain in force for the duration of this Agreement a General Public Liability Insurance policy with limits of $1,000,000 per occurrence and $1,000,000 aggregate.

6.2 Exception – The owner of the DG who receives authorization from the Authority to interconnect an inverter-based DG, with a capacity of less than three hundred kilowatts (300 kW), with the electric distribution system, is exempt from a General

Public Liability Insurance policy. In these cases, the owner of the GD has to sign an Agreement for Waiver of Insurance Requirement.

6.3 La póliza de Responsabilidad Pública General se endosará como sigue:

A. Como asegurado adicional: Autoridad de Energía Eléctrica

Oficina Administración de Riesgos

Apartado 364267

San Juan, PR 00936-4267

B. Un endoso que incluya este Acuerdo bajo la cubierta de responsabilidad contractual identificando las Partes del Acuerdo.

C. Relevo de subrogación en favor de la Autoridad de Energía Eléctrica.

D. Notificación de cancelación o no renovación con treinta (30) días de anticipación y acuse de recibo a la dirección anterior.

E. La violación de cualquier garantía o condición de esta póliza no perjudicará el derecho de la Autoridad de Energía Eléctrica bajo dicha póliza.

6.4 La póliza de seguro solicitada tiene que presentarse de manera aceptable para la Autoridad. El dueño del GD tiene que proveer un certificado de seguro en formato digital, originado por una compañía o agencia aseguradora autorizada a realizar negocios en Puerto Rico, que describa la cubierta que mantiene. Esta certificación tiene que emitirse en el formulario *Acord*, generalmente utilizado por las aseguradoras. Además, tiene que incluir los endosos en formato digital.

6.5 Esta póliza tiene que renovarse anualmente y enviarse a la Autoridad. En caso de que no se cumpla con este requisito de renovación de la póliza, la Autoridad cancelará inmediatamente todos los Acuerdos.

7. CESIÓN DEL ACUERDO

En caso de que cambie el tenedor de la cuenta de servicio eléctrico en la propiedad que participa de este programa, el nuevo Cliente tiene que firmar un nuevo Acuerdo con la Autoridad. De esta manera, el Cliente cederá los derechos y obligaciones contraídos bajo el Acuerdo vigente al nuevo tenedor de la cuenta, sin tener que procesar una nueva solicitud de interconexión y medición neta. La Autoridad desconectará el GD hasta que el nuevo tenedor firme el Acuerdo. De firmarse el nuevo Acuerdo al momento de la cancelación del anterior, no se requerirá desconectar el GD.

8. DERECHO APLICABLE Y TRIBUNALES COMPETENTES

Este Acuerdo estará sujeto a y se interpretará por las leyes del Estado Libre Asociado de Puerto Rico. Además, las Partes contratantes acuerdan expresamente que las controversias que surjan entre ellas en relación con este

Acuerdo se regirán según lo establecido en la Sección XI: Procedimiento Apelativo del Reglamento.

9. RESPONSABILIDAD

Las Partes comparecientes acuerdan que sus respectivas responsabilidades por daños y perjuicios en este Acuerdo serán según establecidas por el Código Civil de Puerto Rico y la jurisprudencia del Tribunal Supremo de Puerto Rico.

10. RELEVO DE RESPONSABILIDAD

El Cliente acuerda relevar y exonerar de responsabilidad e indemnizar a la Autoridad por todos los gastos y costos de cualquier naturaleza, incluyendo honorarios de abogado, en que ésta incurra y que se originen o surjan en relación con reclamaciones de terceras personas por daños personales, incluyendo la muerte, o por daños a la propiedad, pero cuyos daños se ocasionaron por acciones u omisiones del Cliente en el cumplimiento o incumplimiento de sus obligaciones bajo este Acuerdo. Esta disposición prevalecerá a la terminación o expiración de este Acuerdo.

11. FUERZA MAYOR

Las Partes contratantes se excusarán del cumplimiento de sus obligaciones contractuales y no serán responsables por daños y perjuicios ni por cualquier otro concepto, en la medida en que su incumplimiento se deba a un evento de fuerza mayor. Para fines de este Acuerdo, fuerza mayor significa cualquier causa no atribuible a la culpa o negligencia, y que quede fuera del control, de la Parte que reclame la ocurrencia de un evento de fuerza mayor. Fuerza mayor puede incluir, pero sin limitarse a, lo siguiente: disturbios industriales, actos del enemigo público, guerra, bloqueos, boicots, motines, insurrecciones, epidemias, terremotos, tormentas, inundaciones, disturbios civiles, cierres patronales, fuegos, explosiones, interrupción de servicios debido a acciones u omisiones de cualquier autoridad pública; disponiéndose que estos eventos, o cualquiera otro que se reclame como uno de fuerza mayor, y/o sus efectos, estén fuera del control y no sean consecuencia de la culpa o negligencia de la Parte que reclama la ocurrencia de un evento de fuerza mayor, y que dicha Parte, dentro del término de diez (10) días, contados a partir de la ocurrencia de la alegada fuerza mayor, notifique la misma por escrito a la otra Parte describiendo los pormenores del evento y su duración estimada. El peso de la prueba, en cuanto a si ocurrió un evento de fuerza mayor o no, será de la Parte que reclame que la misma ocurrió.

12. CAUSAS DE INCUMPLIMIENTO; REMEDIOS

12.1 La violación de cualquiera de los términos y condiciones de este Acuerdo, del Reglamento o del Reglamento Términos y Condiciones Generales para el Suministro de Energía Eléctrica, le darán a la Autoridad el derecho a desconectar el GD. En aquellas instalaciones que no cuenten con un interruptor manual o que el Cliente no provea acceso al personal de la Autoridad para operar el mismo, la desconexión se realizará desde el punto de entrega del servicio de energía eléctrica.

12.2 No obstante lo dispuesto en este Acuerdo, la responsabilidad de cada Parte se limitará sólo a daños directos y en ningún momento las Partes serán responsables por los daños incidentales, punitivos, resultantes o indirectos.

12.3 La Autoridad no será responsable de los daños por fluctuaciones o interrupciones del sistema de la Autoridad. Esta disposición prevalecerá al vencimiento o terminación de este Acuerdo.

13. SEPARABILIDAD

Si algún tribunal con jurisdicción y competencia declara alguna de las cláusulas de este Acuerdo nula o inválida, ello no afectará la validez y eficacia de las restantes cláusulas del mismo y las Partes contratantes se comprometen a cumplir con sus obligaciones bajo tales cláusulas no afectadas por la determinación judicial de nulidad o invalidez.

14. ENMIENDAS Y MODIFICACIONES

Este Acuerdo sólo podrá enmendarse o modificarse por escrito y por mutuo acuerdo entre las Partes.

15. NOTIFICACIONES

Cualquier notificación que deban hacerse las Partes contratantes, en conformidad con este Acuerdo, se enviará por escrito y se entenderá que la misma fue efectiva, debidamente, al momento de su entrega personal o por correo a las siguientes direcciones:

A la Autoridad: Autoridad de Energía Eléctrica de Puerto Rico
PO Box 364267
San Juan, Puerto Rico 00936-4267

Atención: _____
(Nombre Representante Autorizado)

_____
(Puesto)

Al Cliente: _____
(Nombre del Cliente)

_____
(Dirección postal)

_____
(Dirección postal)

Atención: _____
(Nombre)

Por lo cual, los comparecientes en este acto están de acuerdo en todo lo antes expuesto y por encontrarlo conforme a sus deseos, lo aceptan en todas sus partes sin reparo alguno y proceden a firmarlo en _____, Puerto Rico, hoy ____ de _____ de 20___.

Autoridad de Energía Eléctrica:

Seguro Social Patronal: 660-43-3747

_____
(Nombre Representante Oficina Comercial)

_____
(Título)

_____
(Firma)

_____
(Fecha)

Cliente:

_____
(Nombre)

_____
(Seguro Social)

_____
(Firma)

_____
(Fecha)

ANEJO I

Estado Libre Asociado de Puerto Rico Autoridad de Energía Eléctrica de Puerto Rico

Acuerdo para Participación en el Programa de Medición Neta Compartida CORPORACIONES

COMPARECEN

DE UNA PARTE: La Autoridad de Energía Eléctrica de Puerto Rico, en adelante denominada "la Autoridad", una corporación pública y entidad gubernamental del Estado Libre Asociado de Puerto Rico, creada por la Ley Núm. 83 de 2 de mayo de 1941, según enmendada, representada en este acto por su Representante Autorizado: _____, _____, de
(nombre) (título) la Oficina Comercial _____.

DE LA OTRA PARTE: _____, en adelante
(nombre corporación) denominada "el Cliente", una corporación organizada y existente bajo las leyes del Estado Libre Asociado de Puerto Rico, representada en este acto por _____, mayor de edad, _____,
(nombre completo) (estado civil)
_____ y vecino de _____, Puerto Rico, quien expresa estar
(profesión) (pueblo) debidamente autorizado para actuar a nombre de la corporación mediante la Resolución Corporativa número _____ del _____.
(fecha)

La Autoridad y el Cliente son denominados algunas veces individualmente como "la Parte" y grupalmente como "las Partes".

CLÁUSULAS Y CONDICIONES

1. ALCANCE DEL ACUERDO

Las Partes suscriben este Acuerdo de Medición Neta Compartida (Acuerdo) y sus Anejos con el propósito de que el Cliente se beneficie por el crédito de la energía producida por el sistema de generación distribuida (GD) común ubicado en la misma localidad de su propiedad. El Cliente reconoce que para permanecer en el Programa de Medición Neta Compartida (Programa) tendrá que cumplir con todos los términos y condiciones aplicables del Reglamento para Interconectar Generadores con el Sistema de Distribución Eléctrica de la Autoridad de Energía Eléctrica y Participar en los Programas de Medición Neta (Reglamento), de este Acuerdo y sus Anejos, que son parte esencial de los términos y condiciones siguientes:

1.1 El Cliente tiene la intención de utilizar la energía producida por el GD común localizado en _____, que opera en paralelo con el sistema de la Autoridad de conformidad con el Acuerdo para Interconectar Generadores con el Sistema de Distribución Eléctrica de la Autoridad de Energía Eléctrica y Participar en los Programas de Medición Neta (Acuerdo de Interconexión) vigente entre el dueño del GD, _____, y la Autoridad, el que se hace formar parte de este Acuerdo.

1.2 El Cliente posee una cuenta con la Autoridad con número _____ y está acogido a la tarifa _____.

1.3 Lo dispuesto en este Acuerdo no afectará otros acuerdos que existan entre la Autoridad y el Cliente.

2. FECHA DE EFECTIVIDAD, VIGENCIA Y TERMINACIÓN

2.1 Este Acuerdo tendrá la misma vigencia que el Contrato para Suministro de Energía Eléctrica del Cliente, a menos que: (a) se termine por mutuo acuerdo de las Partes, (b) se remplace por otro acuerdo de Medición Neta, (c) termine el servicio eléctrico del Cliente, o (d) se termine por incumplimiento de cualesquiera de las Partes con algunos de los Términos y Condiciones de este Acuerdo, según se establece en el Artículo 12.

2.2 El beneficio de acreditación de la energía producida por el GD y consumida por el Cliente en este Programa, será efectiva al inicio del periodo de facturación posterior a la instalación o configuración del medidor. La fecha de efectividad será el _____.
(fecha)

2.3 La Autoridad podrá, en cualquier momento, terminar, cancelar o acelerar el vencimiento de este Acuerdo, con notificación previa, en caso de que el Cliente incumpla con cualquiera de sus obligaciones en este Acuerdo. El ejercicio del derecho de terminar, cancelar o resolver este Acuerdo, no se entenderá que constituye una renuncia de la Autoridad a cualesquiera remedios adicionales provistos por este Acuerdo o por la ley para casos de demora o incumplimiento en las obligaciones contractuales del Cliente.

3. PARTICIPACIÓN EN EL PROGRAMA DE MEDICIÓN NETA COMPARTIDA

3.1 Para que el Cliente pueda participar en este Programa, el dueño del GD tendrá que mantener vigente un Acuerdo de Interconexión con la Autoridad y cumplir con los requisitos para la interconexión del mismo y para participar del Programa de Medición Neta Compartida.

3.2 Para participar en este Programa, el Cliente tendrá que cumplir en todo momento con las disposiciones del Reglamento.

3.3 Todas las propiedades tienen que tener servicio de electricidad al mismo nivel de voltaje y el mismo punto de entrega de la Autoridad al que se interconecta el GD. El punto de entrega puede ser el transformador de interconexión en sistemas de distribución secundaria o la subestación privada en sistemas de distribución primaria.

4. MEDICIÓN DE ENERGÍA Y FACTURACIÓN

4.1 La facturación de la energía consumida por el Cliente y el crédito por la energía que exporte se realizará a base del consumo neto y la exportación neta de energía por parte del Cliente. La energía que consuma y exporte el Cliente se medirá y acreditará de la manera descrita a continuación, excepto en aquellos casos en que alguna ley o reglamentación federal ordene lo contrario, de modo expreso y específico.

4.2 La compensación de energía será efectiva al inicio del periodo de facturación posterior a la instalación o configuración del medidor.

4.3 Para Clientes con instalaciones eléctricas existentes, el medidor tiene que estar en un lugar accesible y, de no estarlo, el Cliente estará obligado con previa coordinación a permitir el acceso necesario al personal de la Autoridad, según sea requerido por éste. Para los casos dónde el medidor no este físicamente accesible, la lectura del medidor se podrá realizar remotamente. Las pruebas y lecturas a dicho medidor serán en conformidad con las prácticas de la Autoridad.

4.4 En cada periodo de facturación, la Autoridad medirá la energía que consuma el Cliente y la que exporte al sistema eléctrico de la Autoridad.

4.5 Si durante el periodo de facturación, la Autoridad suministra al Cliente más energía que la acreditada por su participación en la exportación de energía del GD común, se le cobrará por su consumo neto (el resultado al restarle a la energía consumida por el Cliente la energía acreditada por su participación en la exportación de energía del GD común y cualquier crédito por exportación de energía, si alguno).

4.6 Si durante el periodo de facturación, el crédito por la participación del Cliente en la exportación de energía del GD común es mayor que su consumo de energía, se le cobrará al Cliente la factura mínima que corresponda a la tarifa a la que está acogido. La factura mínima es la cantidad que la Autoridad cobra al Cliente que no consume electricidad durante un periodo de facturación. La Autoridad acreditará al Cliente el exceso de energía durante el periodo de facturación hasta un máximo diario de trescientos kilovatios-hora (300 kWh) para clientes residenciales y de diez megavatios-hora (10 MWh) para clientes comerciales. El crédito por exportación de energía se aplicará a la factura del próximo periodo de facturación. El exceso es la cantidad resultante del crédito por la participación del Cliente en la exportación de energía del GD común al sistema de la Autoridad y

cualquier crédito por exportación de energía acumulado previamente, si alguno, se le resta la energía consumida por éste.

4.7 Cualquier crédito por exportación de energía que acumule el Cliente durante el año previo y que no se haya utilizado al cierre del periodo de facturación, en junio de cada año, se compensará de la siguiente forma:

A. La Autoridad utilizará la mayor de las siguientes cantidades: diez (10) centavos por kilovatio-hora (kWh) o la cantidad que resulte al restarle al precio total que le cobra a sus clientes, convertido en centavos por kilovatio-hora (kWh), el cargo por ajuste, por compra de energía y combustible.

B. La Autoridad acreditará al Cliente el 75% del sobrante y el 25% lo acreditará a la factura de electricidad del Departamento de Educación.

4.8 Se acreditará el 100% de la energía producida por el GD equitativamente entre todos los participantes de este programa.

5. OBLIGACIONES Y DEBERES DEL DUEÑO DEL GD

5.1 El dueño del GD proveerá acceso a las instalaciones del GD para que los empleados de la Autoridad puedan ejecutar sus deberes para, sin limitarse a: (a) inspeccionar periódicamente los sistemas de medición y de protección y control; (b) leer o probar equipo de instrumentación que la Autoridad instale; (c) mantener o reparar equipo de la Autoridad; (d) desconectar el GD cuando la Autoridad entienda que existe una emergencia; tenga que realizar trabajos; o detecte que causa fluctuaciones de voltaje o frecuencia, parpadeos o problemas de calidad de potencia; (e) cualquier trabajo relacionado con el medidor de este no estar en un lugar accesible y (f) desconectar el GD bajo las causas de incumplimiento establecidas en el inciso 12 de este Acuerdo. Una vez la Autoridad desconecte el GD, el dueño del GD no podrá operar el mismo hasta que se corrija la condición que provocó la desconexión y la Autoridad lo apruebe. El acceso al personal de la Autoridad se coordinará previamente con el Cliente, excepto cuando exista una situación de emergencia.

5.2 El Cliente tiene que proveer un medio de desconexión en el lado de voltaje AC del inversor, según establecido en el National Electrical Code (NEC). En los casos de GD con capacidad mayor de 300 kW, se requiere, además, que instale un interruptor manual externo que esté visible y accesible al personal de la Autoridad las veinticuatro horas del día, sin necesidad de la presencia del cliente u operador del equipo. De éste no estar accesible al personal de la Autoridad, el Cliente estará obligado a permitir y facilitar el acceso al interruptor, con previa coordinación con el personal de la Autoridad según requerido por ésta. En aquellas instalaciones que no cuenten con un interruptor manual o que el Cliente no provea acceso al personal de la Autoridad para operar el mismo, la desconexión se realizará desde el punto de entrega del servicio de energía

eléctrica, en el que se desconectará tanto el GD como el servicio eléctrico que la Autoridad provee al Cliente.

5.3 Si el dueño del GD modifica el mismo sin el consentimiento de la Autoridad, ésta tendrá derecho a desconectar preventivamente el mismo hasta que verifique que las modificaciones no ponen en riesgo la seguridad y confiabilidad del sistema de la Autoridad.

5.4 El dueño del GD obtendrá y mantendrá todos los permisos e inspecciones que indican que el GD cumple con todos los códigos aplicables de construcción y seguridad.

6. SEGUROS DE RESPONSABILIDAD PÚBLICA GENERAL

6.1 El dueño del GD obtendrá y mantendrá vigente durante la duración de este Acuerdo una póliza de Seguro de Responsabilidad Pública General con límites de $1,000,000 por ocurrencia y $1,000,000 agregado.

6.2 Excepción – El dueño del GD que reciba autorización de la Autoridad para interconectar un GD a base de inversor, con capacidad menor de trescientos kilovatios (300 kW), con el sistema de distribución eléctrica, está exento de una póliza de Seguro de Responsabilidad Pública General. En estos casos, el dueño del GD tiene que firmar un Acuerdo para la Exoneración de Requisito de Seguro.

6.3 La póliza de Responsabilidad Pública General se endosará como sigue:

A. Como asegurado adicional: Autoridad de Energía Eléctrica

Oficina Administración de Riesgos

Apartado 364267

San Juan, PR 00936-4267

B. Un endoso que incluya este Acuerdo bajo la cubierta de responsabilidad contractual identificando las Partes del Acuerdo.

C. Relevo de subrogación en favor de la Autoridad de Energía Eléctrica.

D. Notificación de cancelación o no renovación con treinta (30) días de anticipación y acuse de recibo a la dirección anterior.

E. La violación de cualquier garantía o condición de esta póliza no perjudicará el derecho de la Autoridad de Energía Eléctrica bajo dicha póliza.

6.4 La póliza de seguro solicitada tiene que presentarse de manera aceptable para la Autoridad. El dueño del GD tiene que proveer un certificado de seguro en formato digital, originado por una compañía o agencia aseguradora autorizada a realizar negocios en Puerto Rico, que describa la cubierta que mantiene. Esta certificación tiene que emitirse en el formulario *Acord*, generalmente utilizado por las aseguradoras. Además, tiene que incluir los endosos en formato digital.

6.5 Esta póliza tiene que renovarse anualmente y enviarse a la Autoridad. En caso de que no se cumpla con este requisito de renovación de la póliza, la Autoridad cancelará inmediatamente todos los Acuerdos.

7. CESIÓN DEL ACUERDO

En caso de que cambie el tenedor de la cuenta de servicio eléctrico en la propiedad que participa de este programa, el nuevo Cliente tiene que firmar un nuevo Acuerdo con la Autoridad. De esta manera, el Cliente cederá los derechos y obligaciones contraídos bajo el Acuerdo vigente al nuevo tenedor de la cuenta, sin tener que procesar una nueva solicitud de interconexión y medición neta. La Autoridad desconectará el GD hasta que el nuevo tenedor firme el Acuerdo. De firmarse el nuevo Acuerdo al momento de la cancelación del anterior, no se requerirá desconectar el GD.

8. DERECHO APLICABLE Y TRIBUNALES COMPETENTES

Este Acuerdo estará sujeto a y se interpretará por las leyes del Estado Libre Asociado de Puerto Rico. Además, las Partes contratantes acuerdan expresamente que las controversias que surjan entre ellas en relación con este Acuerdo se regirán según lo establecido en la Sección XI: Procedimiento Apelativo del Reglamento.

9. RESPONSABILIDAD

Las Partes comparecientes acuerdan que sus respectivas responsabilidades por daños y perjuicios en este Acuerdo serán según establecidas por el Código Civil de Puerto Rico y la jurisprudencia del Tribunal Supremo de Puerto Rico.

10. RELEVO DE RESPONSABILIDAD

El Cliente acuerda relevar y exonerar de responsabilidad e indemnizar a la Autoridad por todos los gastos y costos de cualquier naturaleza, incluyendo honorarios de abogado, en que ésta incurra y que se originen o surjan en relación con reclamaciones de terceras personas por daños personales, incluyendo la muerte, o por daños a la propiedad, pero cuyos daños se ocasionaron por acciones u omisiones del Cliente en el cumplimiento o incumplimiento de sus obligaciones bajo este Acuerdo. Esta disposición prevalecerá a la terminación o expiración de este Acuerdo.

11. FUERZA MAYOR

Las Partes contratantes se excusarán del cumplimiento de sus obligaciones contractuales y no serán responsables por daños y perjuicios ni por cualquier otro

concepto, en la medida en que su incumplimiento se deba a un evento de fuerza mayor. Para fines de este Acuerdo, fuerza mayor significa cualquier causa no atribuible a la culpa o negligencia, y que quede fuera del control, de la Parte que reclame la ocurrencia de un evento de fuerza mayor. Fuerza mayor puede incluir, pero sin limitarse a, lo siguiente: disturbios industriales, actos del enemigo público, guerra, bloqueos, boicots, motines, insurrecciones, epidemias, terremotos, tormentas, inundaciones, disturbios civiles, cierres patronales, fuegos, explosiones, interrupción de servicios debido a acciones u omisiones de cualquier autoridad pública; disponiéndose que estos eventos, o cualquiera otro que se reclame como uno de fuerza mayor, y/o sus efectos, estén fuera del control y no sean consecuencia de la culpa o negligencia de la Parte que reclama la ocurrencia de un evento de fuerza mayor, y que dicha Parte, dentro del término de diez (10) días, contados a partir de la ocurrencia de la alegada fuerza mayor, notifique la misma por escrito a la otra Parte describiendo los pormenores del evento y su duración estimada. El peso de la prueba, en cuanto a si ocurrió un evento de fuerza mayor o no, será de la Parte que reclame que la misma ocurrió.

12. CAUSAS DE INCUMPLIMIENTO; REMEDIOS

12.1 La violación de cualquiera de los términos y condiciones de este Acuerdo, del Reglamento o del Reglamento Términos y Condiciones Generales para el Suministro de Energía Eléctrica, le darán a la Autoridad el derecho a desconectar el GD. En aquellas instalaciones que no cuenten con un interruptor manual o que el Cliente no provea acceso al personal de la Autoridad para operar el mismo, la desconexión se realizará desde el punto de entrega del servicio de energía eléctrica.

12.2 No obstante lo dispuesto en este Acuerdo, la responsabilidad de cada Parte se limitará sólo a daños directos y en ningún momento las Partes serán responsables por los daños incidentales, punitivos, resultantes o indirectos.

12.3 La Autoridad no será responsable de los daños por fluctuaciones o interrupciones del sistema de la Autoridad. Esta disposición prevalecerá al vencimiento o terminación de este Acuerdo.

13. SEPARABILIDAD

Si algún tribunal con jurisdicción y competencia declara alguna de las cláusulas de este Acuerdo nula o inválida, ello no afectará la validez y eficacia de las restantes cláusulas del mismo y las Partes contratantes se comprometen a cumplir con sus obligaciones bajo tales cláusulas no afectadas por la determinación judicial de nulidad o invalidez.

14. ENMIENDAS Y MODIFICACIONES

Este Acuerdo sólo podrá enmendarse o modificarse por escrito y por mutuo acuerdo entre las Partes.

15. NOTIFICACIONES

Cualquier notificación que deban hacerse las Partes contratantes, en conformidad con este Acuerdo, se enviará por escrito y se entenderá que la misma fue efectiva, debidamente, al momento de su entrega personal o por correo a las siguientes direcciones:

A la Autoridad: Autoridad de Energía Eléctrica de Puerto Rico
PO Box 364267
San Juan, Puerto Rico 00936-4267

Atención: _____
(Nombre Representante Autorizado)

_____
(Puesto)

Al Cliente: _____
(Nombre del Cliente)

_____
(Dirección postal)

_____
(Dirección postal)

Atención: _____
(Nombre)

Por lo cual, los comparecientes en este acto están de acuerdo en todo lo antes expuesto y por encontrarlo conforme a sus deseos, lo aceptan en todas sus partes sin reparo alguno y proceden a firmarlo en _____, Puerto Rico, hoy ____ de _____ de 20___.

<u>Autoridad de Energía Eléctrica</u>:

Seguro Social Patronal: 660-43-3747

_____
(Nombre Representante Oficina Comercial)

_____
(Título)

_____
(Firma)

_____
(Fecha)

<u>Cliente:</u>

_____
(Nombre Corporación)

_____
(Seguro Social patronal)

_____
(Nombre Representante Autorizado)

_____
(Firma)

_____
(Fecha)