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7	PACIFIC GAS AND ELECTRIC COMPANY	
8	STANDARD OFFER #3	
9	POWER PURCHASE AGREEMENT	
10	FOR	· · · ·
11	AS-DELIVERED CAPACITY AND ENERGY	
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12	FACILITIES OF 100 KILOWATTS OR LESS	an a
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	1 S.O. #3 May 7, 19	34

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AS-DELIVERED CAPACITY AND ENERGY

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FROM

FACILITIES OF 100 KILOWATTS OR LESS

POWER PURCHASE AGREEMENT

BETWEEN

John Neerhout, Jr.

AND

PACIFIC GAS AND ELECTRIC COMPANY

11 ("Seller"), John Neerhout, Jr. 12 and PACIFIC GAS AND ELECTRIC COMPANY ("PGandE"), referred to 13 collectively as "Parties" and individually as "Party", agree 14 as follows: 15 16 Seller states that its facility located at the Yellowjacket 1. 17 Electric Power Project, Highway 128, Calistoga, California 94515 18 Make General Electric and described as 19 _, Serial No. (Later) , fuel Model (Later) $\mathbf{20}$ and or energy source water hydroturbine 21 having a nameplate output rating of 85 kW, 480 volts, 22 3 phase, 60 hertz will be ready to deliver power for 23 sale on or about <u>March 31, 1987</u>. Seller has 24 chosen to sell PGandE __net_energy_output___ 25 26 27 Insert either "net energy output" or "surplus energy output" to ÷ show the energy sale option selected by Seller.

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 Seller has two options for payment for as-delivered capacity and energy delivered to PGandE. They are:

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Option No. 1: Seller elects to have the value of the purchased power credited to its monthly bill from PGandE for electric service in the next billing period (assumes electric service account).

Option No. 2: Seller elects to receive payment check within approximately 30 days of the meter reading date if the value of the purchased power is at least \$50, and if less, to have the value of the purchased power credited to its monthly bill from PGandE for electric service in the next billing period.

Seller has selected Option No. 2

3. On and after the date PGandE gives its written approval for parallel operation, PGandE shall pay Seller for as-delivered capacity at prices authorized from time to time by the California Public Utilities Commission (CPUC) and which are derived from PGandE's full avoided costs as approved by the CPUC. PGandE shall pay Seller and for energy at prices equal to PGandE's full short run avoided operating costs as approved by the CPUC.

 Seller shall pay for designing, installing, operating, and maintaining the facility in accordance with all

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applicable laws and regulations and shall comply with PGandE's electric Rule No. 21, which is attached hereto.

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Seller shall deliver the as-delivered capacity and energy to PGandE at the agreed point of delivery as shown in Appendix A.

6. PGandE shall, at its expense, furnish and install a standard watt-hour meter (and current transformers if required) in a meter socket and enclosure equipment provided and installed by Seller at or near the point of delivery. At Seller's option and expense, PGandE shall furnish and install a time-of-delivery meter pursuant to a separate special facilities agreement referred to in PGandE's Electric Rule No. 21.

(a) maintain the facility and Seller shall 18 7. interconnection facilities, except facilities installed 19 by PGandE, in conformance with all applicable laws and **2**0 regulations, (b) obtain any governmental authorizations 21 and permits required for the construction and operation 22 and facility and (c) maintain the 23 thereof. a safe and prudent interconnection facilities in 24 Seller shall reimburse PGandE for any and all 25 manner. losses, damages, claims, penalties, or liability it 26 incurs as a result of Seller's failure to obtain or 27 maintain any governmental authorizations and permits 28

> S.O. #3 May 7, 1984

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required for the construction and operation of Seller's facility.

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- (a) PGandE may enter Seller's premises (1) to inspect 8. at any reasonable times Seller's protective devices and read or test meters, and (2) to disconnect, without notice, the interconnection facilities if, in PGandE's condition exists and such hazardous opinion, a immediate action is necessary to protect persons, or PGandE's facilities, or other customers' facilities Seller's interference caused by from damage or lack of properly operating protective facility, or devices.
- (b) PGandE shall not be obligated to accept or pay for and may require Seller to interrupt or reduce deliveries of as-delivered capacity and energy (1) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system, or (2) if it determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices.

(c) Whenever possible, PGandE shall give Seller reasonable notice of the possibility that interruption or reduction of deliveries may be required.

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Each Party as indemnitor shall save harmless and 9. indemnify the other Party and the directors, officers, and employees of such other Party against and from any and all loss and liability for injuries to persons including employees of either Party, and damages, including property of either Party, resulting from or (a) the engineering, design, out of arising construction, maintenance, or operation of or (b) the making of replacements, additions, or betterments to the indemnitor's facilities. This indemnity and save harmless provision shall apply notwithstanding the indemnitee. passive negligence of the active or Neither Party shall be indemnified for liability or loss resulting from its sole negligence or willful misconduct. The indemnitor shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity and shall pay all costs, including reasonable attorney fees, that may be incurred by the other Party in enforcing this indemnity. Nothing in this Agreement shall create any duty to, any 10.

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10. Nothing in this Agreement shall create any duty to, any
standard of care with reference to, or any liability to
any person not a Party to it. Neither Party shall be
liable to the other Party for consequential damages.

11. Each Party shall be responsible for protecting its facilities from possible damage by reason of the electrical disturbances or faults caused by the

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S.O. #3

operation, faulty operation, or nonoperation of the 1 other Party's facilities, and such other Party shall 2 not be liable for any such damages so caused. 3 4 This Agreement shall be in effect when signed by the 12. 5 Seller and PGandE for an initial term of one year and 6 shall remain in effect thereafter month to month unless 7 terminated by either Party on 30 (thirty) days advance 8 written notice to the other. 9 10 Any notice required under this Agreement shall be in 13. 11 writing and mailed at any United States Post Office 12 with postage prepaid for transmission by certified 13 mail, return receipt requested, addressed to the Party, 14 or personally delivered to the Party, at the address 15 below. Changes in such designation may be made by 16 notice similarly given. 17 18 All written notices shall be directed as follows: 19 20 Pacific Gas and Electric Company To PGandE: 21 Attention: Manager - Commercial Department 22 77 Beale Street San Francisco, CA 94106 **2**3 To Seller: John Neerhout, Jr. 24 Bechtel Group, Inc. 25 P.O. Box 3965 **2**6 San Francisco, CA 94119 27 28 7 s.o. #3 May 7, 1984

1	14. This Agreement includes the following appendix which is
2	attached and incorporated by reference:
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4	Appendix A - INTERCONNECTION
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6	15. Insurance
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8	15.1 General Liability Coverage
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10	(a) Seller shall maintain during the performance
11	hereof, General Liability Insurance* of not less
12	than \$500,000 if the nameplate rating of Seller's
13	facility is over 20 kW to 100 kW or \$100,000 if
14	the nameplate rating of Seller's facility is 20 kW
15	or below of combined single limit or equivalent
16	for bodily injury, personal injury, and property
17	damage as the result of any one occurrence.
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19	(b) General Liability Insurance shall include coverage
20	for Premises-Operations, Owners and Contractors
21	Protective, Products/Completed Operations Hazard,
2 2	Explosion, Collapse, Underground, Contractual
23	Liability, and Broad Form Property Damage
24	including Completed Operations.
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26	* Governmental agencies which have an established record of
27	self-insurance may provide the required coverage through self-insurance.
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1	(c)	Such insurance, shall provide for 30-days' written
2		notice to PGandE prior to cancellation,
3		termination, alteration, or material change of
4		such insurance.
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6	15.2	Additional Insurance Provisions
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8	(a)	Evidence of coverage described above in
9		Paragraph 15.1 shall state that coverage provided
10		is primary and is not excess to or contributing
11		with any insurance or self-insurance maintained by
12		PGandE.
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14	(b)	PGandE shall have the right to inspect or obtain a
15	· · ·	copy of the original policy(ies) of insurance.
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17	(c)	Seller shall furnish the required certificates*
18		and endorsements to PGandE prior to commencing
19		operation.
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27	.	ernmental agency qualifying to maintain self-insurance should
28	* A gove provid	de a statement of self-insurance.
		9 S.O. #3 May 7, 1984
	1	***** * * * * * * * * * * * * * * * *

endorsements certificates,* insurance 1 (d) A11 cancellations, terminations, alterations, and 2 material changes of such insurance shall be issued 3 and submitted to the following: 4 5 PACIFIC GAS AND ELECTRIC COMPANY 6 Attention: Manager - Insurance Department 77 Beale Street, Room E280 7 San Francisco, CA 94106 8 IN WITNESS WHEREOF, the Parties hereto have caused 9 this Agreement to be executed by their duly authorized 10 representatives as of the last date set forth below. 11 12 PACIFIC GAS AND ELECTRIC COMPANY John Neerhout, Jr. 13 (SELLER) 14 BY: 15 BY: 16 ohn Neerhout, Jr. <u>. Tohnso</u> (Type Name) 17 (Type Name) 18 TITLE: <u>Service Planning Sup</u>V. OWNER TITLE: 19 DATE SIGNED: 12/16/86 DATE SIGNED: 12/3/86 **2**0 21 **2**2 Mailing Address: 23 J. Neerhout, Jr. 24 Bechtel Group, Inc. P. O. Box 3965 **2**5 San Francisco, CA 94119 26 27 A governmental agency qualifying to maintain self-insurance should provide a statement of self-insurance. 28 **S.O.** #3 10 Mav 7, 1984

APPENDIX A

INTERCONNECTION

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(a) Interconnection Tariffs

(The applicable tariffs in effect at the time of execution of this Agreement shall be attached.)

(b) Point of Delivery Location Sketch

See Figure 1 and Figure 2 attached.

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