

**STANDBY SERVICE
INTERCONNECTION AGREEMENT**

Gulf Power Company ("Gulf" or "the Company") agrees to interconnect with _____ (the "Facility"), a self-generating customer (SGC) located at _____ within the Company's service territory. Such interconnection is for the purpose of providing Standby Service to the SGC and is subject to the following provisions.

(1) Construction

The SGC shall provide the Company with written instructions to proceed with construction of the interconnection facilities as described in this Agreement at least 24 months prior to the date on which the facilities shall be completed. The Company agrees to complete the interconnection facilities as described in this Agreement within 24 months of receipt of written instructions to proceed.

Upon the parties' agreement as to the appropriate interconnection design requirements, and receipt of written instructions to proceed from the SGC, the Company shall design and perform or cause to be performed all of the work necessary to interconnect the Facility with the Company's system.

In the event the SGC notifies the Company in writing to cease interconnection work before its completion, the SGC shall be obligated to reimburse the Company for the interconnection

costs incurred up to the date such notification is received.

(2) Technical Requirements and Operations

The parties agree that the SGC's interconnection with the Company's system must be accomplished in accordance with the provisions of Exhibit A attached hereto and made a part of this Agreement entitled "General Standards for Safety and Interconnection" containing the provisions in Rule 25-17.087(6)-(9) F.A.C., adopted by the FPSC in Order No. 23623, Docket No. 891049-EU. Prior to initial synchronization with the Company's system, the SGC must obtain written consent from the Company to operate electric generating equipment in parallel with the Company's electric system. The SGC agrees to require that the Facility operator immediately notify the Company's System Dispatcher by telephone in the event hazardous or unsafe conditions associated with the parties' parallel operations are discovered. If such conditions are detected by the Company, the Company will likewise immediately contact the operator of the Facility by telephone. Each party agrees to immediately take all appropriate corrective actions necessary to correct the hazardous or unsafe conditions.

To the extent the Company reasonably determines the same to be necessary to ensure the safe operation of the Facility or to protect the integrity of the Company's system, the SGC agrees to reduce power generation or take other appropriate actions upon request of the Company.

(3) Site Access

In order to help ensure the continuous, safe, reliable, and compatible operation of the Facility with the Company's system, the SGC hereby grants to the Company for the period of interconnection the reasonable right of ingress and egress, consistent with the safe operation of the Facility, over property owned or controlled by the SGC to the extent the Company deems such ingress and egress necessary in order to examine, test, calibrate, coordinate, operate, maintain, or repair any interconnection equipment involved in the parallel operation of the Facility and the Company's system, including the Company's metering equipment.

(4) Construction Responsibility

In no event shall any Company statement, representation, or lack thereof, either express or implied, relieve the SGC of its exclusive responsibility for the Facility. Specifically, any Company inspection of the Facility shall not be construed as confirming or endorsing the Facility's design or its operation or maintenance procedures, nor as a warranty or guarantee as to the safety, reliability, or durability of the Facility's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any Facility equipment or procedure.

(5) Indemnity

When the Customer's power supply is to be operated at any time in parallel with the Company's electric system, the Customer shall be responsible for ensuring safeguards, which are considered adequate by the Company, to the Company's system including but not

limited to the Company's customers, personnel and equipment. The Customer shall indemnify and save the Company harmless from any and all claims, costs, or expense for loss, damage, or injury to persons or property (including the Customer's generation system and the Company's system) caused by or resulting from:

- (a) Any act or omission by the Customer, or Customer's contractors, subcontractors, agents, servants and employees in connection with the installation or operation of the Customer's generation system or the operation thereof in connection with the Company's system;
- (b) Any defect, failure of, or fault related to the Customer's generation system;
- (c) The Customer's negligence or negligence of the Customer's contractors, subcontractors, agents, servants and employees or;
- (d) Any other event or act that is the result of, or proximately caused by, the Customer's facility.

The SGC agrees to indemnify and save harmless the Company, its subsidiaries or affiliates, and their respective employees, officers, and directors, against any and all liability, loss, damage, cost or expense which the Company, its subsidiaries, affiliates, and their respective employees, officers, and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the SGC in performing its obligations pursuant to this Agreement or the SGC failure to abide by the provisions of this Agreement. The Company agrees to indemnify and save harmless the SGC against any and all liability, loss, damage,

cost or expense which the SGC may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company in performing its obligation pursuant to this Agreement or the Company's failure to abide by the provisions of this Agreement. The SGC agrees to include the Company as an additional named insured in any liability insurance policy or policies the SGC obtains to protect the SGC interests with respect to the SGC indemnity and hold harmless assurances to parties contained in this Section.

(6) Insurance

The SGC shall deliver to the Company at least fifteen days prior to the start of any interconnection work, a certificate of insurance certifying the SGC coverage under a liability insurance policy issued by a reputable insurance company authorized to do business in the State of Florida, protecting and indemnifying the SGC, and the Company as an additional named insured, their officers, employees, and representatives, against all liability and expense on account of claims and suits for injuries or damages to persons or property arising out of the interconnection to the SGC, or caused by operation of any of the QF's equipment or by the SGC's failure to maintain the Facility's equipment in satisfactory and safe operating conditions, or otherwise arising out of the performance by the SGC of the duties and obligations arising under the terms and conditions of this Agreement.

The policy providing such coverage shall provide comprehensive general liability insurance, including property damage, with limits in an amount to be determined on a case by case basis, but in no

event less than \$1,000,000 for each occurrence. There may be an occasion when a contract with a particular SGC represents a greater than usual liability risk. Should the Company deem the contract with the SGC under this Agreement to be such an occasion, the Company will enter into good faith negotiations to set an appropriate minimum level of insurance greater than \$1,000,000. In addition, the above required policy shall be endorsed with a provision whereby the insurance company will notify the Company within thirty days prior to the effective date of cancellation or a material change in the policy. The SGC shall pay all premiums and other charges required or due in order to maintain such coverage as required under this section in force during the entire period of interconnection with the Company.

(7) Notification

For purpose of making emergency or any communications relating to the operation of the Facility, under the provisions of this Agreement, the parties designate the following people for notification:

For Gulf: _____

Phone: _____

For SGC: _____

Phone: _____

IN WITNESS WHEREOF, the SGC and the Company executed this Agreement this

_____ day of _____.

APPLICANT

By: _____

(Print or Type Name)

Title: _____

Date: _____

GULF POWER COMPANY

By: _____

(Print or Type Name)

Title: _____

Date: _____