

**GOBIERNO DE PUERTO RICO
JUNTA REGLAMENTADORA DE SERVICIO PÚBLICO
NEGOCIADO DE ENERGÍA DE PUERTO RICO**

IN RE: SUNNOVA ENERGY CORPORATION

CASO NÚM.: NEPR-AI-2019-0001

ASUNTO: Aviso de Incumplimiento

19 MAR 2019 P 4:13

SECRETARIA
COMISION DE ENERGIA DE
PUERTO RICO

**ESCRITO SUPLEMENTARIO A RESPUESTA DE SUNNOVA ENERGY
CORPORATION AL AVISO DE INCUMPLIMIENTO**

AL HONORABLE NEGOCIADO DE ENERGÍA:

COMPARECE Sunnova Energy Corporation (en adelante "Sunnova" o la "Compañía"), por conducto de los abogados que suscriben, y muy respetuosamente **EXPONE, ALEGA Y SOLICITA:**

1. El 7 de marzo de 2019, Sunnova presentó ante el Negociado de Energía de Puerto Rico (el "Negociado") escrito titulado "Respuesta de Sunnova Energy Corporation al Aviso de Incumplimiento" (en adelante, la "Respuesta"). En el mismo, Sunnova solicitó al Honorable Negociado, entre otras cosas, un término de treinta (30) días para someter testimonios y documentos adicionales en apoyo de sus alegaciones y defensas, según requerido bajo el Reglamento de Procedimientos Adjudicativos, Avisos de Incumplimiento, Revisión de Tarifas e Investigaciones, Reglamento Núm. 8543 del 18 de diciembre de 2014 (el "Reglamento 8543").¹

¹ De acuerdo con la Sección 14.03(A)(5) y (B) del Reglamento 8543, toda respuesta de aviso de incumplimiento debe contener, entre otras cosas, "[e]l nombre, apellidos, dirección física, dirección postal, teléfono y dirección de correo electrónico, si se conoce, de toda persona que tenga información en apoyo de las defensas que, según la respuesta, asisten a la parte avisada... [con] un resumen de lo que testificaría cada una de estas personas, en caso de ser citadas para testificar por [el Negociado]," así como "copia de todo documento que sustente la posición y defensas de la parte avisada."

2. El 21 de marzo de 2019, el Negociado emitió una Resolución concediendo a Sunnova el término solicitado, contados a partir de la fecha de su notificación.
3. Así las cosas y dentro del término concedido por el Negociado, Sunnova presenta a continuación una lista de personas que poseen información en apoyo de los argumentos, defensas y alegaciones contenidas en la Respuesta relacionada con los contratos de venta de energía de Sunnova o "Power Purchase Agreements" ("PPA"), los servicios que proveen sus socios locales o "Channel Partners," la información que se le provee a los clientes antes y después del proceso de venta, y la instalación de los sistemas de paneles fotovoltaicos ("Sistemas"):

a. MARC G. ROUMAIN PRIETO:

i. Dirección Física:

1 Calle Poppy B-3
Parque Forestal
San Juan, PR 00926

ii. Dirección Postal:

PO Box 9672
San Juan, PR 00901

iii. Teléfono:

787-349-9242
787-641-2331

iv. Dirección de Correo Electrónico:

marc@windmareenergy.com

v. Resumen de los asuntos e información sobre la cual testificaría de este ser citado por el Negociado como parte del presente procedimiento administrativo:

Ver Anejo 1.

b. JOSÉ ALICEA:

i. Dirección Física:

Urb. Palacios de Río I,
Tanamá R-7,

Toa Alta, PR 00953

ii. Dirección Postal:

Urb. Palacios de Río I,
Tanamá 414,
Toa Alta, PR 00953

iii. Teléfono:

787-223-5181

iv. Dirección de Correo Electrónico:

jose.alicea@windmarhome.com

v. Resumen de los asuntos e información sobre la cual testificaría de este ser citado por el Negociado como parte del presente procedimiento administrativo:

Ver Anejo 2.

4. De acuerdo con la Sección 14.04 del Reglamento 8543, el Negociado deberá citar aquellas personas identificadas por la persona contra quien se ha expedido un Aviso de Incumplimiento si el testimonio de estas "(i) pareciera ser necesario para demostrar la veracidad de los planteamientos expuestos por la parte avisada; (ii) pareciera ser necesario para demostrar que la parte avisada no ha incurrido en el incumplimiento que se le imputa, o para demostrar la existencia de una justificación adecuada y razonable para excusar el incumplimiento, y (iii) no sea redundante a la prueba documental identificada y acompañada como anejo a la respuesta."
5. Tal como se describe a continuación, los testimonios de Marc Roumain y José Alicea refutan los hallazgos contenidos en el Informe Final del Negociado y en los que se basa el Aviso de Incumplimiento respecto al proceso de contratación de los clientes de Sunnova y las divulgaciones que se hacen durante el mismo.²

² El 15 de febrero de 2019, el Negociado de Energía de Puerto Rico (el "Negociado") emitió un Informe Final con relación a la investigación administrativa iniciada en el año 2016 sobre Sunnova, Caso Núm. CEPR-IN-2016-001. En

6. Los resúmenes de los testimonios de Marc Roumain y José Alicea contradicen los hallazgos en el Informe Final a los efectos de que los clientes de Sunnova no recibían orientación adecuada en cuanto al servicio a proveerse, los términos del contrato, o el funcionamiento de los Sistemas. Por el contrario, estos testimonios demostrarían que la presentación ofrecida por los Channel Partners de Sunnova es extensa y detallada, requiriendo entre 2 a 4 horas para ser completada, y cubriendo los aspectos del funcionamiento del sistema y los términos del contrato, entre otros. También demostrarían que los Channel Partners tienen como práctica analizar al menos trece (13) meses de consumo de cada cliente; diseñar un sistema para satisfacer las necesidades del cliente basadas en sus tendencias de consumo; explicarle al cliente el efecto que tendría el sistema en la facturación que este recibe de la Autoridad de Energía Eléctrica y que de aumentar su consumo, podría aumentar su factura; y preparar una propuesta en la cual se incluye el equipo a ser instalado y se detallan los términos del contrato, que el cliente evalúa previo a firmar el acuerdo. Asimismo, estos testimonios demostrarían que los clientes reciben información sobre los Sistemas a ser instalados en sus hogares, que tienen que aprobar los diseños de estos y cualesquiera modificaciones a los mismos, además de que los Channel Partners mantienen comunicación con los clientes desde el momento en que se firma el contrato hasta la fase de instalación e inspección.
7. Incluso, documentación que obra en el expediente del Negociado, que fue incluida con las respuestas a los cuestionarios sometidos por clientes de Sunnova, y a la que

esa misma fecha, el Negociado también emitió el Aviso de Incumplimiento basado en los hallazgos y conclusiones de la agencia contenidos en el Informe Final, copia del cual fue incluida como anejo al aviso.

no se hace mención alguna en el Informe Final refuta algunos de los hallazgos contenidos en este. Entre otros:

- a. Panfletos sobre los contratos de Sunnova, el proceso de contratación e instalación y el funcionamiento del Sistema, entre otros temas relacionados con los servicios de venta de energía de Sunnova, los cuales son entregados antes de firmar el PPA según los documentos sometidos por la OIPC como parte de la investigación.³
- b. Panfletos entregados previo a la firma del contrato y en los cuales se indica, entre otras cosas: (1) que el Sistema solo produce energía durante el día, (2) que durante la noche, el cliente utilizará energía de la AEE, (3) que las baterías son opcionales y sirven para almacenar energía y proveer la misma cuando el Sistema no está generando y cuando no hay servicio de la AEE, y (4) que el sistema solo cubre la cantidad de energía para la cual fue diseñado, por lo que si el cliente aumenta su consumo tiene que entonces pagar dicho exceso a la AEE.⁴
- c. Propuestas presentadas a los clientes previo a la firma de un PPA.⁵
- d. Certificados de Orientación.⁶

³ Véanse, a manera de ejemplo, PREC Caso SUN-016, PREC Caso SUN-016, PREC Caso SUN-027, PREC Caso SUN-045, PREC Caso SUN-056, PREC Caso SUN-085, PREC Caso SUN-102, PREC Caso SUN-128, PREC Caso SUN-132 y PREC Caso SUN-009.

⁴ Véanse, a manera de ejemplo, PREC Caso SUN-014 y PREC Caso SUN-020.

⁵ Véanse, a manera de ejemplo, PREC Caso SUN-009, PREC Caso SUN-085 y PREC Caso SUN-106.

⁶ Véase, a manera de ejemplo, PREC Caso SUN-088.

- e. Planos, diagramas y detalles específicos sobre el Sistema a ser instalado en la propiedad del cliente y entregados a este.⁷
 - f. Guía del Propietario o "Homeowners Guide" enviada por Sunnova a sus clientes y en el cual se describen los componentes, el funcionamiento y monitoreo del Sistema, y el efecto de la energía generada por el Sistema en la factura de electricidad del cliente, entre otras cosas.⁸
 - g. Panfletos y listas de "Preguntas Frecuentes" enviados por Sunnova a sus clientes donde se explica, entre cosas, cómo funciona la medición neta y la facturación de la AEE; que recibirán dos facturas por los servicios de energía, una de la AEE y otra de Sunnova; qué ocurre cuando el Sistema genera más energía que la que consume el cliente; y qué ocurre cuando genera solo parte de la energía consumida.⁹
8. Sunnova incorpora dichos documentos como parte de su respuesta al Aviso de Incumplimiento, así como todos y cada uno de los panfletos, propuestas, diagramas de Sistemas y documentos similares entregados a sus clientes y que obran en el expediente del Negociado en el Caso Núm. CEPR-IN-2016-0001.¹⁰
9. También se incluye como Anejo 3, copia de un Certificado de Orientación¹¹, documento utilizado por algunos de los Channel Partners y en el cual el cliente

⁷ Véase, a manera de ejemplo, PREC Caso SUN-016.

⁸ Véase, a manera de ejemplo, PREC Caso SUN-008.

⁹ Véase, a manera de ejemplo, PREC Caso SUN-020.

¹⁰ De acuerdo con el Aviso de Incumplimiento, este surge como resultado de las determinaciones del Negociado en el Informe Final en el Caso Núm. CEPR-IN-2016-0001.

¹¹ Este certificado en particular fue firmado por un cliente de Sunnova referido por la OIPC durante la Investigación realizada por el Negociado en el Caso Núm. CEPR-IN-2016-0001. Véase referencia al Caso OIPC Núm. 2018-406

certifica, entre otras cosas, que entiende (1) cómo funciona el Programa de Medición Neta de la AEE; (2) que en cada ciclo de facturación de la AEE la producción del Sistema es un crédito y el consumo es un debito en electricidad, de tal forma que si el Sistema produce más de lo que consume el cliente, este recibirá un crédito en kWh en la próxima factura de la AEE; (3) que si consume más electricidad de la que produce el Sistema, tendrá que pagar el exceso en kWh bajo la tarifa de la AEE; (4) que el consumo de un cliente residencial no es constante; (5) que la producción del Sistema varía a base de la temporada y el clima; (6) que puede cancelar el contrato dentro de un periodo de siete (7) días contados a partir de la firma del contrato, sin costo alguno; y (8) que la tarifa establecida en el contrato aumentará levemente cada año después del primer año.

10. Por consiguiente, queda demostrado que, salvo las dos excepciones identificadas en la Respuesta¹², los clientes de Sunnova reciben, en esencia, la información que el Negociado requiere que sea divulgada conforme al Informe Final y al Aviso de Incumplimiento.¹³ Nuevamente, Sunnova está dispuesta a trabajar con el Negociado cualquier asunto relacionado con la información que se debe proveer a los clientes antes de que estos firmen un PPA.
11. De otra parte, según se indica en el Informe Final y en las respuestas de Sunnova a al primer requerimiento de información y documentos sometida a este Honorable Negociado el 10 de marzo, a través del tiempo han surgido cambios en la

descrito en la "Moción sobre Clientes Adicionales Referidos a Sunnova Energy Corporation" presentado por Sunnova el 26 de octubre de 2018.

¹² Véase Párrafo Núm. 17 de la Respuesta.

¹³ Ver Parte IV(A)(3) del Informe Final y Parte II del Aviso de Incumplimiento.

composición del grupo de Channel Partners de Sunnova en Puerto Rico. Según informado en las respuestas de Sunnova al segundo requerimiento de información y documentos sometido el 28 de julio de 2017, Sunnova implantó un programa interno de supervisión, auditorías y asuntos disciplinarios a cargo de su "In-House Compliance Counsel"; modificó su Código de Conducta para Channel Partners, y sus políticas y procedimientos de mercadeo, las cuales se le han ofrecido a los Channel Partners mediante reuniones y "webinars" periódicos.¹⁴ No obstante lo anterior, es preciso señalar que un análisis estadístico del total de reclamaciones de los clientes referidos por la OIPC a la fecha, excluyendo duplicados y personas que no se ha podido confirmar sean clientes de Sunnova, refleja que cerca del 75% de las mismas procede de contratos originados por tres (3) Channel Partners que ya no tienen relación comercial alguna con Sunnova. Asimismo, menos del 15% de las reclamaciones referidas por la OIPC corresponden a Channel Partners que actualmente trabajan con Sunnova. Se acompaña como Anejo 4 una tabla que resume las estadísticas pertinentes.

12. El Anejo 4 contiene información comercial sensitiva, que de ser revelada podría afectar adversamente a los Channel Partners actuales y anteriores de Sunnova, y

¹⁴ Véase Sección II, Párrafo Núm. 2 del escrito titulado "Respuestas de Sunnova Energy Corporation a Segundo Requerimiento de Información de la Comisión de Energía de Puerto Rico" y presentado por Sunnova el 28 de julio de 2017, Caso Núm. CEPR-IN-2016-0001. Copia del mismo se hace formar parte del presente escrito por referencia, así como del escrito titulado "Respuestas de Sunnova Energy Corporation a Preguntas y Requerimientos de Información y Documentos Conforme a Orden Expedida por la Comisión de Energía de Puerto Rico" presentado por Sunnova ante el Negociado, el 10 de marzo de 2017 en el mismo caso. Traemos a la atención de este Honorable Negociado que Sunnova le requiere a todos sus Channel Partners cumplir con el Código de Conducta (incluido como Anejo 2 de las respuestas de Sunnova al segundo requerimiento de información) el cual, entre otras cosas requiere que, en las ventas en persona, el agente de ventas enfatice con el cliente los términos claves del contrato; incluyendo su derecho de cancelación; el significado de los estimados de producción y garantía; los beneficios de la medición neta; que el cliente recibirá dos (2) facturas; las alternativas ante una mudanza; y las opciones del cliente al final del término del contrato.

por lo tanto también a Sunnova. Esta información es de naturaleza confidencial y no está disponible públicamente. Por consiguiente, Sunnova respetuosamente solicita que se dé tratamiento confidencial al Anejo 4. Como se sabe, el Artículo 6.15 de la 57-2014, 22 L.P.R.A. § 1054n, y la Sección 1.15 del Reglamento 8543, disponen para que este Honorable Negociado proteja información confidencial que se presente ante su consideración. Dispone la citada Sección 1.15 que en tal caso el peticionario solicitará "la protección de dicha información, y expondrá por escrito los argumentos en apoyo a su planteamiento sobre la naturaleza privilegiada de la información. El Negociado evaluará la petición y, de entender que la información amerita protección, procederá de conformidad, con lo dispuesto en el Artículo 6.15 de la Ley 57-2014, según enmendada".

13. Por otro lado, Sunnova presenta, como Anejos 5 y 6, respectivamente, modelos de contratos residenciales de compra de energía de la Asociación de Industrias de Energía Solar de los Estados Unidos o *Solar Energy Industries Association* ("SEIA") y del Laboratorio Nacional de Energía Renovable o *National Renewable Energy Laboratory* ("NREL").¹⁵
14. La SEiA es una entidad sin fines lucro establecida en el 1974 que representa prácticamente todas las industrias y organizaciones de los Estados Unidos que promueven el desarrollo de la energía solar, incluyendo manufactureros, instaladores y operadores de sistemas de paneles fotovoltaicos.

¹⁵ Véase: <https://www.seia.org/research-resources/model-leases-and-ppas> y <https://www.nrel.gov/analysis/standard-contracts-downloads.html>

15. Por su parte, el NREL es un laboratorio nacional del Departamento de Energía de los Estados Unidos dedicado a la investigación, desarrollo, comercialización y despliegue de tecnologías de energía renovable y eficiencia energética. Entre las varias funciones del NREL se encuentra promover el desarrollo comercial de energía renovable, incluyendo el uso de paneles fotovoltaicos.
16. Los PPAs de Sunnova están basados en estos modelos de contratos, en uso a nivel nacional. Tanto el modelo de contrato residencial de compra de energía de la SEIA, como el del NREL, incluyen, bajo el párrafo número 18 de ambos escritos, una cláusula de arbitraje prácticamente idéntica a la que se utiliza en los contratos de servicio de energía de Sunnova suscritos por los clientes de Sunnova en Puerto Rico. Compárese la cláusula de arbitraje de Sunnova transcrita por el Negociado en la Sección IV(B) del Informe Final expedido por dicha agencia el 15 de febrero de 2019 y en el cual se basa el Aviso de Incumplimiento con los referidos párrafos en los contratos modelos de SEIA y NREL.
17. Por consiguiente, la práctica de Sunnova de incluir una cláusula de arbitraje en sus PPAs no es un intento de evadir la jurisdicción de este Honorable Negociado, según se concluye en el Informe Final. Por el contrario, el uso de una cláusula de arbitraje en contratos de este tipo es la práctica recomendada a nivel nacional por entidades tales como NREL y SEIA.
18. Quisiéramos traer ante la atención de este Honorable Negociado razones adicionales por las cuales el procedimiento para la revisión de facturas provisto por el Reglamento Sobre el Procedimiento para la Revisión de Facturas y Suspensión del Servicio Eléctrico por Falta de Pago, Reglamento Núm. 8863, adoptado conforme

al Art. 6.27 de la Ley 57-2014, no es aplicable a entidades como Sunnova. Según expuesto en las “Objeciones y Comentarios de Sunnova Energy Corporation al Informe Final,” las Compañías de Servicio Eléctrico a las que se les requiere establecer un procedimiento de revisión de facturas son (a) la AEE; (b) las que se dedican a ofrecer *servicio de distribución o suministro de energía eléctrica al detal*; y (c) las que se dedican a la facturación de *servicio de distribución o suministro de energía eléctrica al detal*. Reglamento Núm. 8863, Sección 1.08(A)(7). Allí explicamos que este requisito no aplica a Sunnova pues se refiere a entidades que ofrecen sus servicios a través del sistema de *distribución* de la red eléctrica – los llamados “utilities” tradicionales – y no a las entidades que no utilizan dicha red, pues la fuente de energía está instalada en la propiedad del cliente.

19. Además, el concepto de *suministro de energía al detal* está definido en nuestro ordenamiento y, nuevamente, nada tiene que ver con empresas como Sunnova. En cuanto a este aspecto, la Ley 82-2010, según enmendada, conocida como la “Ley de Política Pública de Diversificación Energética por Medio de la Energía Renovable Sostenible y Alterna en Puerto Rico” define al “*proveedor de energía al detal*” como la AEE y cualquier proveedor de energía al detal que vendió más de 50,000 megavatio-horas de energía eléctrica durante el año natural anterior, y *expresamente excluye* un productor de energía renovable distribuida. 12 L.P.R.A. 8121(29). Esto es, Sunnova está expresamente excluida de dicha definición.
20. Lo cierto es que si bien la Ley 57-2014 es una ley de avanzada en el ordenamiento jurídico puertorriqueño, no atiende todas las modalidades de negocios de energía que han surgido con el pasar de los años. Otras jurisdicciones han legislado para

establecer requisitos específicos aplicables a los mismos. Por ejemplo, el “California Public Utilities Act” contiene diferentes capítulos que aplican a distintos tipos de negocios, por ejemplo productores privados de energía¹⁶, sistemas de almacenaje de energía¹⁷, sistemas de energía solar¹⁸, y productores independientes de energía solar¹⁹, entre otros. Sunnova está incluida bajo esta última categoría²⁰ en California, que está expresamente regulada en dicho estatuto. No es razonable, sin embargo, pretender aplicarle a Sunnova disposiciones como el Art. 6.27 y el Reglamento 8863 que claramente fueron pensadas para, y que por sus propios términos aplican, a “utilities” tradicionales.

POR TODO LO CUAL, se solicita muy respetuosamente que este Honorable Negociado tome conocimiento de lo aquí expuesto y, luego de los trámites de rigor, deje sin efecto el Aviso de Incumplimiento.

¹⁶ CA PUB UTIL §§ 2802 et seq.

¹⁷ CA PUB UTIL §§ 2835 et seq.

¹⁸ CA PUB UTIL §§ 2851 et seq.

¹⁹ CA PUB UTIL §§ 2868 et seq.

²⁰ “Independent solar energy producer” means a corporation or person employing one or more solar energy systems for the generation of electricity for any one or more of the following purposes:

(1) Its own use or the use of its tenants.

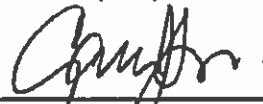
(2) The use of, or sale to, not more than two other entities or persons per generation system solely for use on the real property on which the electricity is generated, or on real property immediately adjacent thereto.

Respetuosamente sometido.

En San Juan, Puerto Rico, a 22 de abril de 2019.

McCONNELL VALDÉS LLC
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Por:



Germán Novoa Rodríguez
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Certificado de Orientación & Compromiso

Windmar Home, a través de su consultor energético, me ha provisto toda la información necesaria para cualificar para un Acuerdo de Venta de Energía con Sunnova. Entiendo que la instalación del sistema fotovoltaico y las gestiones con las agencias gubernamentales pertinentes es libre de costo de completarse el proceso. A cambio, me comprometo a cumplir con los términos de pago del mencionado acuerdo y la firma del Acuerdo de Medición Neta. Como cliente puedo disfrutar de estos beneficios, siempre y cuando cumpla con los siguientes requisitos y acuerdos:

- ✓ Proveer copia reciente de la factura de la AEE, licencia de conducir y escrituras de la propiedad. No se gravará la propiedad, solo se verifica que la propiedad sea de quien(es) firma(n) el acuerdo.
- ✓ El techo de la propiedad debe estar en buenas condiciones. De querer sellar el techo, lo haré previo a la fecha de la instalación. De ser necesaria la reubicación de algún equipo (A/C, Cisterna, Calentadores Solares) localizado sobre el techo, será mi responsabilidad hacerlo antes de la instalación.
- ✓ Una vez firmado el Acuerdo de Sunnova, tendré un periodo de gracia de siete (7) días para cancelar dicho acuerdo. Pasados los siete (7) días, incurriré en una PENALIDAD por gastos incurridos por Windmar Home.

1. Antes de la visita inicial: Hasta un máximo de \$50 por kW (capacidad del sistema) vendido
2. Durante o luego de la visita: Hasta un máximo de \$150 por kW vendido
3. Una vez radicado su caso a la AEE: Hasta un máximo de \$250 por kW vendido
4. Una vez coordinada la instalación: Hasta un máximo de \$500 por kW vendido
5. Después de instalar: NO se puede cancelar

iniciales

- ✓ Sunnova me debitará por ACH todo los días 17 de cada mes la producción del sistema a la cuenta provista.
- ✓ Entiendo como funciona el Programa de Medición Neta de la AEE. De manera simple, en cada ciclo de facturación de la AEE la producción del sistema solar es un crédito y el consumo es un débito en electricidad.
 - Si produzco más de mi consumo tengo un crédito en kWh's para el próximo ciclo.
 - Si consumo más de mi producción tengo que pagar el exceso en kWh's a la tarifa de la AEE.
- ✓ Entiendo que la producción de un sistema solar varía a base de la temporada y el clima.
- ✓ Entiendo que el consumo de un cliente residencial no es constante. En la misma factura que le entregué al consultor energético pude ver que mi consumo diario promedio varía de mes a mes.
- ✓ Entiendo que la tarifa tiene un escalador que le da un aumento leve a la tarifa todo los años después del primer año. Por ejemplo, si mi pagaré es de \$100/mes el primer año, pues pagaré = \$102 el 2do año.
- ✓ Autorizo a WindMar Home a hacer toda las gestiones pertinentes para completar la permisología del sistema solar con la AEE incluyendo registrarme en la Portal de Radicación Electrónica y cubrir los gastos correspondientes de radicación.

Yo, [REDACTED], he leído los términos arriba expuestos y mediante firma de este documento acepto los mismos.

Cliente de la AEE (Factura AEE)

1. Estado Civil: [REDACTED]

2. Seguro Social: [REDACTED]

3. Ocupacion: [REDACTED]

Fecha

SAPC Residential Power Purchase Agreement (Disaggregated Version) [[PROVIDER'S LOGO HERE]]

Here are the key terms of your [[Agreement Provider Name]] Power Purchase Agreement

Date: _____

System installation cost	[\$0]
[[Prepayment (if any)]]	[\$0]
[[Initial]] Electricity rate per kWh	[xx.xx¢]
[[Other Optional Monthly Bill Information]]	[[Initial term cost, fixed payment per month, rate escalation, other]]
[[Production info]]	[[Optional production info or See Amendment Form]]
Agreement term	[20 years]

[[Insert Agreement PROVIDER Name]] Promises to You

- We insure the System (including the inverter) and arrange for its repair and maintenance at no additional cost to you, as specified in the agreement.
- We provide 24/7 [[web accessible]] monitoring at no additional cost to you, as specified in the agreement.
- We warrant your roof against leaks and restore your roof at the end of the agreement, as specified in the agreement.
- [[The rate you pay us for electricity, exclusive of taxes, will never increase by more than X.X % per year]].

Homeowner's Name & Service Address

[[Exactly as it appears on the utility bill]]
Homeowner Name, Address, Email, Phone

John Smith
1 Photovoltaic Way
Sunnytown, STATE ZIP

Co-Owner Name (If Any) Email, Phone

Installation Location

1 Photovoltaic Way
Sunnytown, STATE ZIP

Options for System purchase and transfer:

- If you move, you may transfer this agreement to the purchaser of your Home, as specified in the agreement.
- At certain times, as specified in the agreement, you may purchase the System.
- These options apply during the term of our agreement.

Options at the end of the 20 year term:

- [[PROVIDER]] will have the System removed at no cost to you.
- [[You can upgrade to a new System with the latest solar technology under a new contract]].
- You may purchase the System from [[PROVIDER]] for its fair market value as specified in the agreement.
- [[You may renew this agreement for up to ten (10) years in two (2) five (5) year increments]].

[[PROVIDER CONTACT INFORMATION HERE]]
[[Document Generated on [DATE]]]



1. **[[Introduction.]]**

This Power Purchase Agreement (this "Power Purchase Agreement" or "PPA") is the agreement between you and [Provider] (together with its successors and assigns, "[Provider]" or "we"), covering the sale to you of the power produced by the solar panel system (the "System") that we will arrange to install at your home. [Provider] agrees to sell to you, and you agree to buy from [Provider], all of the power produced by the System. The System will be installed at the installation location you listed above (the "Property" or your "Home") by the installation contractor (the "Installer") identified on an installation agreement between you and the Installer (the "Installation Agreement"). Because you have agreed to purchase the power produced by the System, [Provider] has agreed to purchase the System from the Installer following installation [[This Power Purchase Agreement is [nine (9)] pages long and has up to three (3) Exhibits depending on the state where you live. [Provider] provides you with a [NAME of Limited Warranty] (the "Limited Warranty"). The Limited Warranty is attached as **Exhibit 2**. By signing this Power Purchase Agreement you represent that you are either a citizen of the United States or not exempt from paying Federal income taxes. If you have any questions regarding this Power Purchase Agreement, please ask your [PROVIDER] sales consultant.]]

2. **[[Term.]]**

[Provider] agrees to sell you the power generated by the System for [Insert Years Number] years ([X] months), plus, if the Interconnection Date is not on [[the first day of a calendar month, the number of days left in that partial calendar month]]. We refer to this period of time as the "Term." The Term begins on the Interconnection Date. The "Interconnection Date" is the date that the System is turned on and generating power after receiving any required utility approval (e.g. "permission to operate"). [Provider] or the Installer will notify you by [[email, text or mail]] when your System is ready to be turned on.

3. **Intentionally Left Blank.**

4. **Power Purchase Agreement Payments : Amounts.**

(a) **Power Price.** You are purchasing all of the power the System produces. During the first year of the term, the purchase price is [\$0.xx] per kWh]]. After the first year, the price per kWh will increase by [x.x %] of the previous year's price. There are no installation costs to you.

(b) **Payments.**

[[Your monthly payments will be the product of (A) the price per kWh multiplied by (B) the actual kWh output for the calendar month ("Monthly Payments"). Invoices for Monthly Payments will be mailed or emailed no later than ten (10) days after the end of a calendar month. If you are

paying your invoice by automatic debit from your checking or savings account (ACH) we will debit your bank account on or about the 1st day of the next month following invoice (e.g. January invoices are sent in early February and debited on or about March 1). Monthly Payments will change as your price per kWh changes over the Term of this PPA and as System production varies (e.g., summer has higher production). You will have regular access to the System's production via your [Provider's] online account. Payments due upon installation, if any, are due immediately prior to commencement of installation. **You will make no Monthly Payments if you are fully prepaying this PPA. In this case, you will pay only the amounts listed in the key terms summary on page one of this PPA.]]**

(c) **Estimated Production.** If (i) the System is shut down for more than seven (7) full twenty-four (24) hour days cumulatively during the Term because of your actions; (ii) you take some action that significantly reduces the output of the System; (iii) you don't trim your bushes or trees to their appearance when you signed this PPA to avoid foliage growth from shading the System; or (iv) your System is not reporting production to [Provider] (e.g. you have disconnected the [Monitoring System Name] system or [[the internet]] connection at your Home goes down on the reporting day), then [Provider] will reasonably estimate the amount of power that would have been delivered to you during such System or reporting outages or reduced production periods ("Estimated Production") and shall consider Estimated Production as actual production for purposes of this paragraph. In the first year of the Term, Estimated Production will be based on our production projections. [[After the first year of the Term, Estimated Production will be based on historical production for that month in the prior year.]] If we bill you for Estimated Production because your System is not reporting production to [Provider], and we subsequently determine that we have either overestimated or underestimated the actual production, then we will adjust the next bill downward (to refund overbilling) or upward (to make up for lost billing). You will not be charged for Estimated Production when the System is not producing electricity due to [Provider's] fault, or if it's due to grid failure or power outages caused by someone other than you. [[PROVIDER DOES NOT WARRANT OR GUARANTEE THE AMOUNT OF ENERGY PRODUCED BY THE SYSTEM FOR ANY PERIOD OR THAT YOU WILL REALIZE ANY SAVINGS AS COMPARED TO THE COSTS OF PURCHASING YOUR POWER FROM THE LOCAL UTILITY.]]

5. **Power Purchase Agreement Obligations.**

(a) **System, Home and Property Maintenance**

You agree to:

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when

- repairs are being made;
 - (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when the Installer installed it;
 - (iii) not modify your Home in a way that shades the System;
 - (iv) be responsible for any conditions at your Home that affect the installation (e.g., blocking access to the roof, or removing a tree that is in the way, prior work you have done on your Home that was not permitted);
 - (v) not remove any markings or identification tags on the System;
 - (vi) As set forth in 5(g)(i), permit [Installer, Provider, its designees, or its financing parties], after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
 - (vii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
 - (viii) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;
 - (ix) notify [Provider] if you think the System is damaged or appears unsafe; if any part of the System is stolen; and prior to changing your power supplier;
 - (x) have [[anyone/someone]] who has an ownership interest [[and requisite authority]] in your Home sign this Power Purchase Agreement;
 - (xi) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
 - (xii) [[maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s). See section 2(c) of the Limited Warranty for details.]]
- (b) System Construction**
- The System will be installed at the Property by the Installer pursuant to the Installation Agreement.
- (c) Repair, Insurance and [Provider's] obligations:**
- [Provider] agrees to:**
- (i) [[provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;]]
 - (ii) [[provide you with a home energy evaluation;]]
 - (iii) insure the System against all damage or loss unless (A) that damage or loss is caused by your gross negligence; or (B) you intentionally damage the System; [[Upon damage or destruction to the System, you will not be entitled to receive or retain any insurance proceeds. In cases where we bear the risk of loss, our sole obligation to you will be to arrange to repair or replace the System to the extent required by the [Warranty]]]
 - (iv) Arrange for repair of the System pursuant to the Limited Warranty by service providers licensed according to applicable law, and reasonably cooperate with you when arranging repairs;
 - (v) [[create a priority stream of operation and maintenance payments to provide enough cash flow in our financing transactions to pay for the Limited Warranty obligations and the repair and maintenance of the System in accordance with this PPA even if [Provider] ceases to operate; and]]
 - (vi) [[not put a lien on your Home or Property.]]
- (d) Home Renovations or Repairs**
- If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only have the System removed and replaced pursuant to the Limited Warranty.
- (e) Automatic Payment, Late Charges**
- In addition to the other amounts you agree to pay in this Power Purchase Agreement, you agree to pay the following:
- (i) [[Product Change Fee: if after you sign this Power Purchase Agreement, but before we begin installation, you decide you would prefer an alternative [Provider] product (a [name of alternative product], or a prepaid PPA, etc.) you will pay a [\$250] change fee;]]
 - (ii) [[Automatic Payment Discount: All prices include a [\$7.50] monthly discount for using automatic payment. You will not receive a [\$7.50] monthly discount if you do not make automatic Monthly Payments through your checking or savings account;]]
 - (iii) [[Returned Check Fee: [\$25] (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and]]
 - (iv) [[Late Payments: accrue interest at the lesser of twelve percent [(12%)] annually or the maximum allowable

percentage by applicable law.]]

(f) Estimated Taxes

[[Your [Provider] electricity rate of [\$0.XXXX] per kWh is composed of an electricity rate of [\$0.YYYY] plus current taxes of [\$0.ZZZZ]]. You agree to pay any changes in the applicable taxes related to this PPA. Thus, if tax rates change, your [Provider] [[electricity rate or the amount you pay]] will change to reflect this rate change. If this PPA contains a purchase option [[at the end of the Term,]] you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable [[personal property]] taxes on the System that your local jurisdiction may levy.

(g) No Alterations

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without [Provider's] prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be [Provider's] property.

(h) Access to the System

- (i) You grant to [Provider, financing parties] and its employees, agents, service providers and contractors the right to reasonably access all of the Property as necessary for the purposes of (A) operating, maintaining, owning, repairing, removing and replacing the System or making any additions to the System or installing complementary technologies on or about the location of the System; (B) enforcing [Provider's, or financing parties] rights as to this Power Purchase Agreement and the System; (C) using and maintaining electric lines and inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (D) taking any other action reasonably necessary in connection with operating, maintaining, owning, repairing, removing and replacing the System. This access right shall continue for up to ninety (90) days after this Power Purchase Agreement expires to provide [Provider] with time to remove the System at the end of the Power Purchase Agreement. [Provider] shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

- (ii) During the time that [Provider] has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. [[You agree that the System is not a fixture, but [Provider] has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System. Neither this PPA nor any UCC-1 financing statement we may file in connection with this PPA constitutes or imposes a consensual lien on your Home or Property.]]

(i) Indemnity

To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless [Provider], its employees, officers, directors, agents, [[financing partners]], successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify [Provider] for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Power Purchase Agreement.

(j) Payments

SUBJECT TO SECTION 4(b) ABOVE, YOU AGREE THAT THE OBLIGATION TO PAY ALL PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS PPA SHALL BE, ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE, AND CONTINUE TO BE, PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 6, 22 AND 23, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS PPA, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

(k) Credit Check

[[[Provider] may have prescreened your credit. Prescreening of credit does not impact your credit score. You can choose to stop receiving

"prescreened" offers of credit from this and other companies by calling toll-free, 1-888-5-OPTOUT (1-888-567-8688).]] [[You authorize [Provider], or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with [Provider's] financing partners. You certify that all information you provide to us in connection with checking your credit will be true and understand that this information must be updated upon request if your financial condition changes.]]

6. **Conditions Prior to Installation of the System: Change Orders.**

- (a) [Provider's] obligation to sell you the power the System produces is conditioned on the following items having been completed to its reasonable satisfaction by the Installer or other service providers chosen by [Provider]:
 - (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
 - (ii) [[approval of this Power Purchase Agreement by [Provider's] financing parties]];
 - (iii) your meeting the applicable credit criteria;
 - (iv) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payments set forth in this Power Purchase Agreement;
 - (v) confirmation that [Provider] will obtain all applicable benefits referred to in Section 9;
 - (vi) [[receipt of all necessary zoning, land use and building permits; and]]
 - (vii) completion of any renovations, improvements or changes [[reasonably required]] at your Home or on the Property [[which have been agreed upon in writing]] (e.g., removal of a tree or necessary roof repairs to enable the Installer to safely install the System).

[Provider] may terminate this Power Purchase Agreement without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vii) will not be satisfied for reasons beyond its reasonable control. Once the Installer starts installation, however, [Provider] may not terminate this Power Purchase

Agreement for your failure to satisfy conditions (i) through (vii) above.

(b) **Amendments.**

[[The System's production will be documented in an amendment to this PPA.]] You authorize [Provider] to make corrections to the utility paperwork to conform to this PPA or any amendments to this PPA we both sign.

[Provider] may terminate this PPA if, in our reasonable judgment, the installation of the System will not occur within 120 days of the date of this agreement being fully executed by all parties for reasons beyond our reasonable control.

7. **Warranty.**

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT 2**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

8. **Transfer.**

[[[Provider] will assign this PPA to one of its financing partners.]] You agree that [Provider] may assign, sell or transfer the System and this Power Purchase Agreement, or any part of this Power Purchase Agreement or the exhibits, without your consent. This assignment does not change [Provider's] obligation to ensure that the System is maintained and repaired as set forth in the Warranty. [[Any assignment of [Provider's] rights and/or obligations under this Agreement shall not result in any change to your rights and obligations under this Agreement.]]

9. **Ownership of the System: Tax Credits and Rebates.**

You agree that the System is [Provider's] personal property under the Uniform Commercial Code. You understand and agree that this PPA is not a contract to sell or lease the System to you. [Provider] owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by [Provider], and shall at your expense protect and defend [Provider] against the same.

You understand and agree that any and all tax credits, incentives, renewable energy credits, green tags, carbon offset credits, utility rebates or any other non-power attributes of the system are the property of and for the benefit of [provider], usable at its sole discretion. [provider] shall have the exclusive right to enjoy and use all such

benefits, whether such benefits exist now or in the future. You agree to refrain from entering into any agreement with your utility that would entitle your utility to claim any such benefits. You agree to reasonably cooperate with [provider] so that it may claim any tax credits, renewable energy credits, rebates, carbon offset credits or any other benefits from the system. This may include to the extent allowable by law, entering into net metering agreements, interconnection agreements, and filing renewable energy/carbon offset credit registrations and/or applications for rebates from the federal, state or local government or a local utility and giving these tax credits, renewable energy/carbon credits, rebates or other benefits to [provider].

10. Purchasing the System [[Prior to the End of the Term]].

In addition to having the option to purchase the System at the end of the Term, you have the option to purchase the System prior to the end of the Term as detailed below. To exercise this option you must be in good standing under this Power Purchase Agreement and you need to give us at least one (1) month's, but not more than three (3) months' prior written notice. You can purchase this System:

- (i) on the five (5) year anniversary of the beginning of the Term [[and every annual anniversary after the five (5) year anniversary]]; and
- (ii) at any time after the five (5) year anniversary of the beginning of the Term, when you sell your Home; and
- (iii) if [Provider] ever ceases its operations and fails to provide for a substitute provider.

[[In each of (i), (ii) and (iii) above, the price you will pay for the System will be the System's fair market value ("FMV"). The interests of any financing party shall not be taken into account when determining the FMV; a third party independent appraiser will be retained to compute the System's FMV]]. [Provider's] maintenance and repair obligations under the Limited Warranty (Exhibit 2) will [[continue/end]] when you purchase the System until what would have been the end of the original Term.

11. Renewal.

[[If you are in compliance with your PPA, you [and your Provider] have the option to renew your PPA for up to ten (10) years in two (2) five (5) year renewal periods. We will send you renewal forms three (3) months prior to the expiration of the Term, which forms shall set forth the new Monthly Payments due under the renewal PPA, based on our assessment of the then current fair market value of the System. If you want to renew, complete the renewal forms and return them to us at least one (1) month prior to the end of the PPA. In the

event that you do not agree to the new Monthly Payments this PPA shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal forms, then this PPA shall renew for an additional one (1) year term at ten percent (10%) less than the then-current average rate charged by your local utility and shall continue to renew for one (1) year terms at the same rate as your first renewal until (i) you give us notice at least thirty (30) days prior to a renewal term that you do not wish to renew; or (ii) we send you a notice terminating the PPA.]]

12. Selling Your Home.

(a) If you sell your Home you can:

(i) Transfer this Power Purchase Agreement and the Monthly Payments

If the person buying your Home meets [Provider's] credit requirements, then where permitted by the local utility, the person buying your Home can sign a transfer agreement assuming all of your rights and obligations under this Power Purchase Agreement.

(ii) Move the System to Your New Home

Where permitted by the utility(s), the System can be moved to your new home pursuant to Section 4 of the Limited Warranty. You will need to provide the same rights to [Provider] as provided for in this PPA and provide any third party consents or releases required by [Provider] in connection with the substitute premises.]]

(iii) Prepay this Power Purchase Agreement and Transfer only the Use of the System]]

At any time during the Term, you can prepay this Power Purchase Agreement in full by [[paying [Provider] the expected remaining payments (estimated future production during the rest of the Term multiplied by the average kWh rate during the rest of the Term) at a five percent [(5%)] discount rate]]. The person buying your Home will only need to sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this PPA. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this PPA.

(iv) Purchase the System (see Section 10)]]

(b) You agree to give [Provider] at least [fifteen (15)] days but not more than [three (3)] months prior written notice if you want someone to assume your PPA obligations. In connection with this assumption, you, your approved buyer and [Provider] shall execute a written transfer of this PPA.

(c) If you sell your Home and can not comply with any of the options in

subsection (a) above, you will be in default under this Power Purchase Agreement. Section 12(a) includes a Home sale by your estate or heirs.

- (d) This agreement is free of any restrictions that would prevent the homeowner from freely transferring their home ("Property"). In the event of a foreclosure on the Property, your lender has the right (but not the obligation) to do ONE of the following:

(i) terminate this [contract] and require Provider to remove the System subject to your obligations under Sections 15 and 16;

(ii) become a beneficiary (but not obligor) of your [contract] free of charge (i.e., receive power from the System and enforce the Limited Warranty but not have the obligation to make payment, which obligation will remain with you – if you don't make timely payment you will be in default under Section 15 and Provider can terminate, remove the System and take all other remedies it has under Section 16);

(iii) enter into a new [contract] with Provider on terms no less favorable than the current [contract]; or

(iv) require transfer of the [contract] under Section 12 to a subsequent purchaser of the Property.

Provider will not prohibit the sale, conveyance or refinancing of the Property. Provider may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property. Provider shall explain the Fixture Filing to any subsequent purchasers of the Property and any related lenders as requested. Provider shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Property.

- (e) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THIS PPA WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

13. Loss or Damage.

- (a) [[Unless you are grossly negligent or you intentionally damage the System, [Provider] will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System]]. Except as expressly provided in this PPA, no loss, damage, theft or destruction will

excuse you from your obligations under this PPA, including Monthly Payments.

- (b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default of this PPA, you shall continue to timely make all Monthly Payments and pay all other amounts due under the PPA and, cooperate with [Provider], at [Provider's] sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

14. Limitation of Liability.

(a) No Consequential Damages

[PROVIDER'S] LIABILITY TO YOU UNDER THIS POWER PURCHASE AGREEMENT SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages

EXCEPT FOR CLAIMS UNDER SECTION 5(H), [[NEITHER PARTY'S LIABILITY TO THE OTHER WILL EXCEED AN AMOUNT EQUAL TO THE MAXIMUM AMOUNT THAT COULD BE PAYABLE BY YOU UNDER SECTION 16(H). DAMAGES TO YOUR HOME, BELONGINGS OR PROPERTY RESULTING FROM THE INSTALLATION OR OPERATION OF THE SYSTEM ARE COVERED IN SECTION 6(C) OF THE LIMITED WARRANTY]].

15. Default.

You will be in default under this Power Purchase Agreement if any one of the following occurs:

- (a) [[you fail to make any payment when it is due and such failure continues for a period of ten (10) days;]]
- (b) you fail to perform any material obligation that you have undertaken in this PPA (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of [fourteen (14) days] after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Power Purchase Agreement;
- (d) you assign, transfer, encumber, sublet or sell this PPA or any part of the System without [Provider's] prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent or undertakes or experiences

any substantially similar activity.

16. Remedies in Case of Default.

If this Power Purchase Agreement is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may:

- (a) terminate this PPA;
- (b) take any reasonable action to correct your default or to prevent our loss; any amount we pay will be added to the amount you owe us and will be immediately due;
- (c) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (d) proceed, by appropriate court action, to enforce performance of this PPA and to recover damages for your breach;
- (e) disconnect, turn off or take back the System by legal process or self-help[, but we may not disturb the peace or violate the law;]
- (f) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (g) charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- (h) recover from you (i) a payment equal to the purchase price as set forth in this agreement plus (ii) all taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing; [and (iii) seek a pre or post judgment lien or similar security interest on or against your home;] or
- (i) use any other remedy available to us in this PPA or by law.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this PPA as required.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, [Provider] does not give up its right to use another remedy. By deciding not to use any remedy should this Power Purchase Agreement be in default, [Provider] does not give up our right to use that remedy in case of a subsequent default.

17. System Removal; Return.

At the end of the Term or the termination of this PPA, if you have not renewed this PPA or exercised your

purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call [Provider] at the [[telephone number]] listed in Section 7 of Exhibit 2 to schedule a convenient time for [Provider] to have the System removed from your Home at no cost to you.

18. Applicable Law; Arbitration.

PLEASE READ THIS SECTION CAREFULLY. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY.

The laws of the state where your Home is located shall govern this PPA without giving effect to conflict of laws principles. We agree that any dispute, claim or disagreement between us (a "Dispute") shall be resolved exclusively by arbitration.

The arbitration, including the selecting of the arbitrator, will be administered by JAMS, under its Streamlined Arbitration Rules (the "Rules") by a single neutral arbitrator agreed on by the parties within thirty (30) days of the commencement of the arbitration. The arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate the arbitration process by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. The arbitration shall be held in the location that is most convenient to your Home. If a JAMS office does not exist within 50 (fifty) miles of your Home, then we will use another accredited arbitration provider with offices close to your Home.

If you initiate the arbitration, you will be required to pay the first \$125 of any filing fee. We will pay any filing fees in excess of \$125 and we will pay all of the arbitration fees and costs. If we initiate the arbitration, we will pay all of the filing fees and all of the arbitration fees and costs. We will each bear all of our own attorney's fees and costs except that you are entitled to recover your attorney's fees and costs if you prevail in the arbitration and the award you receive from the arbitrator is higher than [Provider's] last written settlement offer. When determining whether your award is higher than [Provider's] last written settlement offer your attorney's fees and costs will not be included.

Only Disputes involving you and [Provider] may be addressed in the arbitration. Disputes must be brought in the name of an individual person or entity and must proceed on an individual (non-class, non-representative) basis. The arbitrator will not award relief for or against anyone who is not a party. If either of us arbitrates a Dispute, neither of us, nor any other person, may pursue the

Dispute in arbitration as a class action, class arbitration, private attorney general action or other representative action, nor may any such Dispute be pursued on your or our behalf in any litigation in any court. Claims regarding any Dispute and remedies sought as part of a class action, class arbitration, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. This means that the arbitration may not address disputes involving other persons with disputes similar to the Disputes between you and [Provider].

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant under this agreement. The arbitrator, however, is not authorized to change or alter the terms of this agreement or to make any award that would extend to any transaction other than yours. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. The arbitrator will issue a decision or award in writing, briefly stating the essential findings of fact and conclusions of law.

BECAUSE YOU AND WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

19. **Waiver.**

Any delay or failure of a party to enforce any of the provisions of this PPA, including but not limited to any remedies listed in this PPA, or to require performance by the other party of any of the provisions of this PPA, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this PPA.

20. **Notices.**

All notices under this PPA shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified or registered mail, return receipt requested.

21. **Entire Agreement; Changes.**

This PPA contains the parties' entire agreement regarding the sale and purchase of power generated by the System. There are no other agreements regarding this PPA, either written or oral. Any change to this PPA must be in writing and signed by both parties. If any portion of this PPA is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

PUBLICITY

[[[Provider] will not publicly use or display any images of the System unless you initial the space below. If you initial the space below, you give [Provider] permission to take pictures of the System as installed on your Home to show to other customers or display on our website.]]

Homeowner's Initials

22. **NOTICE OF RIGHT TO CANCEL.**

YOU MAY CANCEL THIS CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

23. **ADDITIONAL RIGHTS TO CANCEL.**

[[[IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS PPA UNDER SECTION 22, UNLESS INSTALLATION OF YOUR SYSTEM HAS ALREADY COMMENCED, YOU MAY ALSO CANCEL THIS PPA AT NO COST AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER YOU SIGN THE FIRST AMENDMENT TO THIS PPA DETAILING YOUR ESTIMATED PRODUCTION.]]

I have read this Power Purchase Agreement and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Power Purchase Agreement.

Owner's Name: [NAME]

Signature: _____

Date: _____

Co-Owner's Name (if any):

Signature: _____

Date: _____

**[PROVIDER's LOGO HERE. POSSIBLE
ADDITIONAL SIGNATORIES INCLUDED IN USER
NOTES]**

Power Purchase Agreement

Signature: _____

Date: _____

**EXHIBIT 1 ([PROVIDER] COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE**

Notice of Cancellation

Date of Transaction: The date you signed the Power Purchase Agreement.

You may CANCEL this transaction, without any penalty or obligation, within **THREE BUSINESS DAYS** from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within **TEN BUSINESS DAYS** following receipt by the seller ([Provider] Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller ([Provider] Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller ([Provider] Corporation) regarding the return shipment of the goods at the seller's ([Provider] Corporation's) expense and risk. If you do make the goods available to the seller ([Provider] Corporation) and the seller ([Provider] Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller ([Provider] Corporation), or if you agree to return the goods to the seller ([Provider] Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to [Provider] Corporation, [Provider's Address Here] **NOT LATER THAN MIDNIGHT** of the date that is **THREE BUSINESS DAYS** from the date you signed the Power Purchase Agreement.

I, [NAME], HEREBY CANCEL THIS TRANSACTION on _____ [Date].

Owner's Signature:

Co-Owner's Signature:

EXHIBIT 1 (CUSTOMER COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Power Purchase Agreement.

You may CANCEL this transaction, without any penalty or obligation, within **THREE BUSINESS DAYS** from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within **TEN BUSINESS DAYS** following receipt by the seller ([Provider] Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller ([Provider] Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller ([Provider] Corporation) regarding the return shipment of the goods at the seller's ([Provider] Corporation's) expense and risk. If you do make the goods available to the seller ([Provider] Corporation) and the seller ([Provider] Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller ([Provider] Corporation), or if you agree to return the goods to the seller ([Provider] Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to [Provider] Corporation, [Provider's Address Here] **NOT LATER THAN MIDNIGHT** of the date that is **THREE BUSINESS DAYS** from the date you signed the Power Purchase Agreement.

I, [NAME], HEREBY CANCEL THIS TRANSACTION on _____ [Date].

Owner's Signature:

Co-Owner's Signature:

EXHIBIT 2

PERFORMANCE GUARANTEE AND LIMITED WARRANTY

1. INTRODUCTION

This [Performance Guarantee and Limited Warranty] (this "Limited Warranty") is [Provider's] agreement to provide you warranties on the System you are hosting pursuant to our PPA. The System will be professionally installed by the Installer at the address you listed in the PPA. We will refer to the installation location as your "Property" or your "Home." This Limited Warranty begins when the Installer installs the System at your Home, provided that [Provider] has countersigned the PPA. [[We look forward to helping you produce clean, renewable solar power at your Home.]]

2. LIMITED WARRANTIES

(a) Limited Warranties

[Provider] warrants the System as follows:

(i) System Warranty

During the entire Power Purchase Agreement Term, under normal use and service conditions, the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components (the "System Warranty");

(ii) Roof Warranty

[[If installing the System requires penetrating your roof during a System installation we will warrant roof damage caused due to such roof penetrations. This roof warranty will run the longer of (A) one (1) year following the completion of the System installation; and (B) the length of any existing installation warranty or new home builder performance standard for your roof (the "Roof Warranty Period"); and]]

(iii) Repair Promise

During the entire Power Purchase Agreement Term, [Provider] will honor the System Warranty and will arrange to repair or replace any defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. If we or a contractor we retain damages your Home, your belongings or your Property we will arrange to repair the damage caused or pay you for the damage caused as described in Section 6. [Provider's] service providers may use new or reconditioned parts when making repairs or replacements. [Provider] may also, at no additional cost to you, have its service providers upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at [Provider's] discretion.

(b) Warranty Length

- (i) [[The warranties in Sections 2(a)(i) and 2(a)(iii) above will start when the Installer begins installing the System at your Home (provided that [Provider] has countersigned the PPA) and continue through the entire Power Purchase Agreement Term but never less than ten (10) years. Thus, for as long as you host the System from [Provider] under a PPA, you will have a System Warranty and our Repair Promise.]]
- (ii) The Roof Warranty Period may be shorter than the System Warranty, as described in Section 2(a)(ii) above.

- (iii) If you have assumed an existing PPA, or purchased the System during the Term of your PPA, then this Limited Warranty will cover you for the remaining balance of the existing PPA Term.

(c) Performance Warranties and Guarantee

(i) Performance Guarantee

[[[Provider] guarantees that during the Power Purchase Agreement Term the System will operate within manufacturer's specifications and if it does not that [Provider] will arrange to repair or replace any defective part and restore System performance.]]]

(ii) [Monitoring Software Name]

[[During the Power Purchase Agreement Term, we will provide you at no additional cost our [Monitoring Software Name] Monitoring Service ("[Monitoring Software Name]"). [Monitoring Software Name] is a proprietary monitoring system that captures and displays historical power generation data over an Internet connection [cellular network] and consists of hardware located on site and software hosted by [Provider]. If the System is not operating within normal ranges, [Monitoring Software Name] will alert us and we will remedy any material issues.]]

(iii) [Upgraded Monitoring Software Name]

If you have upgraded your PPA to include the [Upgraded Monitoring Software Name] Monitoring Service ("[Upgraded Monitoring Software Name]"), [Provider] will provide it to you for the first ten (10) years of the Term. [Upgraded Monitoring Software Name] is a [Monitoring Software Offered] improvement that captures and displays historical power consumption data. Not all home power systems are compatible with [Upgraded Monitoring Software Name]. If you ordered [Upgraded Monitoring Software Name] and your Home is not compatible with [Upgraded Monitoring Software Name], then [Provider] will adjust your PPA payments to reflect its removal.

(iv) Output Warranty

[[The System's rated electrical output during the first ten (10) years of the Power Purchase Agreement Term shall not decrease by more than fifteen percent (15%).]]

(d) Maintenance and Operation

(i) General

[[When the System is installed, [Provider] will provide you with a link to its [Name of Guide Paperwork]. This Guide provides you with System operation instructions, answers to frequently asked questions, troubleshooting tips and service information. [Provider] will arrange for service providers to perform all required System maintenance.]]

(ii) [Monitoring Software Name]

[[Both the [Monitoring Software Name] service and its [Upgraded Monitoring Software Name] upgrade require a high speed Internet line to operate. Therefore, during the Power Purchase Agreement Term, you agree to maintain the communication link between [Monitoring Software Name] and the System and between [Monitoring Software Name] and the Internet. You agree to maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line we will not be able to monitor the System and provide you with a performance guarantee or provide a [Upgraded Monitoring Software Name] upgrade. Further, if [Monitoring Software Name] is not operational, [Provider] will be required to estimate your power usage as set forth in the PPA.]]

(c) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing us at the email address in Section 7 below;
- B. writing us a letter and sending it overnight mail with a well-known service; or
- C. sending us a fax at the number in Section 7 below.

(ii) Transferable Limited Warranty

[Provider] will accept and honor any valid and properly submitted Warranty claim made during any Term by any person who either purchases the System from you or to whom you properly transfer the PPA.

(f) Exclusions and Disclaimer

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement or correction required due to the following:

- (i) someone other than [Provider's] approved service providers installed, removed, re-installed or repaired the System;
- (ii) destruction or damage to the System or its ability to safely produce power not caused by [Provider] or its approved service providers while servicing the System (e.g., if a tree falls on the System we will replace the System per the Power Purchase Agreement, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Power Purchase Agreement (e.g., you modify or alter the System);
- (iv) your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us and our service providers in diagnosing or repairing a problem;
- (v) any Force Majeure Event (as defined below);
- (vi) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (vii) any system failure or lost production not caused by a System defect (e.g., the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area); and
- (viii) theft of the System (e.g., if the System is stolen we will replace the System per the Power Purchase Agreement, but we will not repay you for the power it did not produce).

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System other than that described above.

THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) and (c) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY [PROVIDER] WITH RESPECT TO THE SYSTEM. [PROVIDER] HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM.

3. [PROVIDER'S] STANDARDS

For the purpose of this Limited Warranty the standards for our performance, and that of our service providers, will be (i) normal professional standards of performance within the solar photovoltaic power generation industry in the relevant

market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

4. SYSTEM REPAIR, RELOCATION OR REMOVAL

- (a) **Repair.** You agree that if (i) the System needs any repairs that are not the responsibility of [Provider] under this Limited Warranty, (ii) the system needs to be removed and reinstalled to facilitate remodeling of your Home or (iii) the system is being relocated to another home you own pursuant to the Power Purchase Agreement, you will have a qualified service provider approved by [Provider], at your expense, perform such repairs, removal and reinstallation, or relocation.
- (b) **Removal/Moving.** [[[Provider] will arrange to remove and replace the System from your roof while roof repairs are being made for a payment of \$499. You will need to provide storage space for the System during such time. Where permitted under the PPA, [Provider] will work with you to move the System to your new home as follows: (i) [Provider] will conduct an audit of your existing Home and new home to determine if a move is commercially feasible. This audit will cost \$499. If [Provider] determines that a move is commercially feasible, it will then arrange to move the System for an additional payment of [\$499]]].
- (c) **Return.** If at the end of the Term you want to return the System to [Provider] under Section 17 of the PPA then [Provider] will arrange to remove the System at no cost to you. [[[Provider] will arrange to remove the posts, waterproof the post area and return the roof as close as is reasonably possible to its original condition before the System was installed (e.g. ordinary wear and tear and color variances due to manufacturing changes are excepted). [Provider] will warrant the waterproofing for one (1) year after it removes the System.]] You agree to reasonably cooperate with [Provider] and its service providers in removing the System including providing necessary space, access and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

If [Provider] is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, [Provider] will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) [Provider], as soon as is reasonably practical, gives you notice describing the Force Majeure Event;
- (b) [Provider's] suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e., when a Force Majeure Event is over, we will arrange to make repairs); and
- (c) No [Provider] obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by [Provider's] fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from [Provider's] failure to have exercised reasonable diligence); power or voltage surge caused by someone other than [Provider] including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by [Provider] or under its control.

6. LIMITATIONS ON LIABILITY

- (a) **No Consequential Damages**

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(c) AND 6(c) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL [PROVIDER] OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, [Provider's] total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Monthly Payments over the Term of the Power Purchase Agreement and (b) the original cost of the System; and
- (ii) [[For damages to your Home, Belongings and Property: [exceed two million dollars (\$2,000,000).]]]

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Power Purchase Agreement to the addresses listed below:

TO [PROVIDER]: [[[Provider]
Address
Attention: Warranty Claims
Telephone:
Facsimile:
Email:]]

TO YOU: At the billing address in the Power Purchase Agreement
or any subsequent billing address you give us.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

[Provider] may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of [Provider's] obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who hosts the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Power Purchase Agreement. This Limited Warranty contains the parties' entire agreement regarding the limited warranty of the System.

AUTHORIZATION FOR AUTOMATIC PAYMENTS FROM YOUR CHECKING ACCOUNT

Setting up automatic payments from your checking account is a convenient service that saves you time and money and ensures your solar panel payments will always be made on time. [Provider] and John Smith ("Customer") agree to establish automatic payments of the payments due under the Power Purchase Agreement (the "Agreement") between the parties. Customer hereby authorizes [Provider] to initiate debit entries to the checking account indicated below to facilitate payments for (i) the First Monthly Payment (if any) set forth in Section 4 of the Agreement and (ii) subsequent Monthly Payments (as defined in the Agreement) and applicable sales or use tax. Customer hereby authorizes the depositing financial institution named below to enter such debits or credits to such account. Customer also acknowledges that [Provider] may assign the Agreement to a third-party and that the assignee may then initiate debit entries per this Authorization Agreement.

Bank Name:

Routing No.:

Account No.:

Payment Terms

[Provider] will supply Customer with a monthly bill detailing the amount owed for that billing period. [Provider] will process debit entries to the above account in an amount not to exceed the amount due under the Agreement for:

(i) the First Monthly Payment which is due on the first day of the first full calendar month following the Interconnection Date (as defined in the Agreement) or, if the Interconnection Date is the first day of a calendar month, then on the Interconnection Date; and

(ii) scheduled Monthly Payments which are due on the 1st day of each calendar month.

Notice of Changes

Customer hereby acknowledges that the automatic payment information provided is correct. If this information changes, Customer must notify [Provider] immediately. If [Provider] incurs any fees as a result of inaccurate or out of date information, Customer will be billed for those charges. Also, [Provider] reserves the right to change the conditions of the Agreement at any time. Notice will be given on or with the monthly bill or by other methods.

Limitation of Liability

[Provider] bears no liability or responsibility for any losses incurred due to any delay in the actual date on which the bank account is debited. In order to process the electronic funds transfer, Customer must have sufficient funds available in the bank account provided. Additionally, Customer is responsible for any fees the account-holding financial institution may charge for electronic payments. Customer hereby agrees to be bound by any rules the account-holding financial institution requires for automatic electronic payments.

Termination and Right to Cancel

Customer hereby acknowledges that this Authorization Agreement will not be terminated until the Agreement is paid in full, or Customer provides written notification via certified mail of such termination of this Authorization Agreement and has allowed [Provider] a reasonable amount of time to act upon the request. The termination of the Authorization Agreement does not terminate the Agreement or Customer's obligation to make payments required by the Agreement. Under federal law, Customer has the right to stop an automatic payment. Customer must give at least three business days' oral or written notice before the scheduled payment date in order to stop an automatic payment.

By signing below, Customer represents to [Provider] that all persons whose signatures are required to withdraw funds from the above referenced account have executed this Authorization Agreement. Customer hereby acknowledges receipt of a copy of this Authorization Agreement for his/her records.

Customer: _____

Date: _____

Installation Location: [Address]

INSTALLATION AGREEMENT

This INSTALLATION AGREEMENT is entered into by and between _____ ("you," "your" or "Owner") and _____ ("Installer") as of _____ (the "Installation Agreement"). All terms set forth in this Installation Agreement shall have the meanings provided in the Power Purchase Agreement by and between Owner and _____ ("Provider") dated as of _____ [and bearing serial number _____] (the "PPA").

1. INSTALLATION

You and Installer acknowledge and agree that the System to be installed on your Property will be designed, procured, constructed, installed, tested and interconnected by Installer (the "Installation").

2. YOUR OBLIGATIONS

You agree to:

- (i) grant Installer and its contractors and agents reasonable access to your Property and cooperate with Installer for the purpose of the Installation, including installing, using and maintaining electric lines, inverters and meters necessary to interconnect the System to your electric system.
- (ii) cooperate with Installer and assist in obtaining any permits needed, including any documentation related to net metering.
- (iii) obtain any consent of a third party required for the Installation, such as a home owner's association. Installer will provide reasonable assistance to assist you in obtaining any required third party consent.
- (iv) allow Installer to connect the System to your local electric utility grid and provide all necessary authorizations for such interconnection.

3. INSTALLER'S OBLIGATIONS

a. Installation, Insurance and Liability.

Installer agrees to:

- (i) schedule the Installation of the System at a mutually convenient date and time.
- (ii) construct the System according to written plans you review.
- (iii) notify you if the System design has to be materially changed so that you can review any such changes;
- (iv) give you reasonable notice when Installer or its contractors need to access the System and/or your Property.
- (v) keep your Property reasonably free from waste materials or rubbish caused by Installer or its contractors' activities during the Installation process
- (vi) remove all of Installer's or its contractor's tools, construction/installation equipment, machinery, waste materials and rubbish from and around your Property prior to utility approval of the System.
- (vii) guarantee that any roof penetrations made for the System shall be completely weather-tight for the period of [five (5) years].
- (viii) return your Property to a condition similar to its original condition at the completion of Installation, excluding normal wear and tear (subject to Excluded Services performed pursuant to Section 5 below).
- (ix) carry adequate commercial general liability, commercial automobile liability, workers' compensation and any other insurance required by applicable laws and regulations. You may request from Installer evidence of a contractor's insurance coverage.
- (x) be solely responsible for damage caused to your Property, property of third parties, or bodily injury arising from the Installation caused by Installer or its agents.

b. Conditions to Installation. Installer's obligation to install the System is conditioned on the completion of a thorough physical inspection of your Property and other due diligence to confirm the suitability of your Property for the construction, installation and operation of the System.

4. [PROVIDER]

- (i) [[Installer is not in the business of owning solar panel systems after Installation. Because you have agreed to purchase the power to be generated by the System from [Provider], [Provider] has agreed to purchase the System from Installer following installation]].
- (ii) [[If the System is not installed to [Provider]'s satisfaction within one hundred and twenty (120) calendar days (except for certain force majeure exceptions determined by [Provider]) after [Provider]'s execution of its PPA with you, at [Provider's] option [Provider] may decline to purchase the System and Installer shall thereafter be solely responsible for either (i) finding a different purchaser for the System or (ii) ensuring that the System or any part thereof is removed from your Property and that your Property is returned to its original condition excluding normal wear and tear (subject to Excluded Services performed pursuant to Section 5 below) (and you agree to grant Installer reasonable access to your Property to remove the System in this circumstance)]]].

5. SERVICES NOT INCLUDED IN THE INSTALLATION (EXCLUDED SERVICES)

This Agreement does not include an obligation by Installer to:

- (i) [[remove or dispose of any hazardous substances that currently exist on your Property;]]
- (ii) [[improve the construction of the roof of your Property to support the System;]]
- (iii) [[remove or replace existing rot, rust or insect-infested structures;]]
- (iv) [[provide structural framing for any part of your Property;]]
- (v) [[pay for or correct construction errors, omissions or deficiencies by you or your contractors;]]
- (vi) [[pay for, remove or remediate mold, fungus, mildew or organic pathogens;]]
- (vii) [[upgrade your existing electrical service;]]
- (viii) [[install any smoke detectors, sprinklers or life safety equipment required by municipal code or inspectors as a result of the System installation;]]
- (ix) [[pay for the removal or re-location of equipment, obstacles or vegetation in the vicinity of the System;]]
- (x) [[pay for any costs associated with municipal design or architectural review, or other specialty permits (this includes cost to attend any public hearings, notification of neighbors or additional drawings required);]]
- (xi) [[paint electrical boxes or conduit at your Property; or]]
- (xii) [[move items unassociated with the System around your Property.]]

6. PERFORMANCE OF EXCLUDED SERVICES

If an obligation listed as an exclusion in Section 5 (an "Excluded Service") must be performed in order to properly complete the installation of the System:

- a. Proposal.** Installer will promptly notify you of the necessity of such Excluded Services. If appropriate, Installer will present a proposal of the costs to you for Installer to perform such Excluded Services.
- b. Your Obligation.** You agree to promptly either sign a separate contract for the Excluded Services with Installer, or to cause such Excluded Services to be completed by a separate contractor in accordance with Installer's Installation schedule.
- c. [[No Extension.** The completion of Excluded Services will not extend the 120 day installation deadline referenced in Section 3(c)(ii).]]

7. DEPOSIT

Installer may collect a security deposit of \$_____ (the "**Deposit**") which will be fully refunded to you upon completion of the Installation, unless you cancel this Installation Agreement prior to completion of the Installation. Notwithstanding the foregoing, you have a right to cancel this Installation Agreement by using the written statutorily-mandated Notice of Cancellation included as Exhibit 1 within three (3) business days of the date you signed it and to receive a refund of the Deposit. No other amounts are due under this Installation Agreement.

8. CONFLICTS

In the event of any conflict between the terms of this Installation Agreement and any other agreement between you and Installer, the terms of this Installation Agreement shall control.

9. MISCELLANEOUS PROVISIONS

a. Property Ownership. You represent and warrant that you are the owner of the Property.

b. Concealed Conditions. To the best of your knowledge, there are no conditions, concealed or otherwise, that would or may impede or delay the Installation or cause the Property to be unsuitable for the Installation, including but not limited to dry rot, termites or mold.

c. Roof Warranty. If the Installation is to a roof, you acknowledge and accept that any roof penetrations necessary to complete the Installation of a System may void any existing warranty of the roof manufacturer or roof installer.

10. TERM AND TERMINATION

This Installation Agreement shall continue in full force and effect until terminated by Installer with or without cause, effective upon written notice to you. Upon termination, those obligations which by their nature should survive shall continue, such as (without limitation) Installer's indemnity, removal and clean-up obligations, and Installer's liability for damages as set forth in Section 3(a)(ix) of this Installation Agreement.

11. NOTICE OF RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. SEE THE NOTICE OF CANCELLATION FORM ATTACHED TO THE PPA FOR AN EXPLANATION OF THIS RIGHT. Installer and Owner acknowledge that they have read and agree to the provisions in this Installation Agreement.

DO NOT SIGN THIS CONTRACT IF THERE ARE ANY BLANK SPACES.

INSTALLER

Signature: _____

Name: _____

Date: _____

OWNER

Signature: _____

Name: _____

Date: _____

SAPC Residential Power Purchase Agreement (Disaggregated Version) [[PROVIDER'S LOGO HERE]]

Here are the key terms of your [[Agreement Provider Name]] Power Purchase Agreement

Date: _____

System installation cost	[\$o]
[[Prepayment (if any)]]	[\$o]
[[Initial]] Electricity rate per kWh	[xx.xx¢]
[[Other Optional Monthly Bill Information]]	[[Initial term cost, fixed payment per month, rate escalation, other]]
[[Production info]]	[[Optional production info or See Amendment Form]]
Agreement term	[20 years]

[[Insert Agreement PROVIDER Name]] Promises to You

- We insure the System (including the inverter) and arrange for its repair and maintenance at no additional cost to you, as specified in the agreement.
- We provide 24/7 [[web accessible]] monitoring at no additional cost to you, as specified in the agreement.
- We warrant your roof against leaks and restore your roof at the end of the agreement, as specified in the agreement.
- [[The rate you pay us for electricity, exclusive of taxes, will never increase by more than X.X % per year]].

Homeowner's Name & Service Address

[[Exactly as it appears on the utility bill]]
Homeowner Name, Address, Email, Phone

John Smith
1 Photovoltaic Way
Sunnytown, STATE ZIP

Co-Owner Name (If Any) Email, Phone

Installation Location

1 Photovoltaic Way
Sunnytown, STATE ZIP

Options for System purchase and transfer:

- If you move, you may transfer this agreement to the purchaser of your Home, as specified in the agreement.
- At certain times, as specified in the agreement, you may purchase the System.
- These options apply during the term of our agreement.

Options at the end of the 20 year term:

- [PROVIDER] will have the System removed at no cost to you.
- [[You can upgrade to a new System with the latest solar technology under a new contract]].
- You may purchase the System from [PROVIDER] for its fair market value as specified in the agreement.
- [[You may renew this agreement for up to ten (10) years in two (2) five (5) year increments]].

[[PROVIDER CONTACT INFORMATION HERE]]

[[Document Generated on [DATE]]]

1. **[[Introduction.]]**

This Power Purchase Agreement (this "Power Purchase Agreement" or "PPA") is the agreement between you and [Provider] (together with its successors and assigns, "[Provider]" or "we"), covering the sale to you of the power produced by the solar panel system (the "System") that we will arrange to install at your home. [Provider] agrees to sell to you, and you agree to buy from [Provider], all of the power produced by the System. The System will be installed at the installation location you listed above (the "Property" or your "Home") by the installation contractor (the "Installer") identified on an installation agreement between you and the Installer (the "Installation Agreement"). Because you have agreed to purchase the power produced by the System, [Provider] has agreed to purchase the System from the Installer following installation. [[This Power Purchase Agreement is [nine (9)] pages long and has up to three (3) Exhibits depending on the state where you live. [Provider] provides you with a [NAME of Limited Warranty] (the "Limited Warranty"). The Limited Warranty is attached as **Exhibit 2**. By signing this Power Purchase Agreement you represent that you are either a citizen of the United States or not exempt from paying Federal income taxes. If you have any questions regarding this Power Purchase Agreement, please ask your [PROVIDER] sales consultant.]]

2. **[[Term.]]**

[Provider] agrees to sell you the power generated by the System for [Insert Years Number] years ([X] months), plus, if the Interconnection Date is not on [[the first day of a calendar month, the number of days left in that partial calendar month]]. We refer to this period of time as the "Term." The Term begins on the Interconnection Date. The "Interconnection Date" is the date that the System is turned on and generating power after receiving any required utility approval (e.g. "permission to operate"). [Provider] or the Installer will notify you by [[email, text or mail]] when your System is ready to be turned on.

3. **Intentionally Left Blank.**

4. **Power Purchase Agreement Payments : Amounts.**

(a) **Power Price.** You are purchasing all of the power the System produces. During the first year of the term, the purchase price is [\$0.xx per kWh]]. After the first year, the price per kWh will increase by [x.x %] of the previous year's price. There are no installation costs to you.

(b) **Payments.**

[[Your monthly payments will be the product of (A) the price per kWh multiplied by (B) the actual kWh output for the calendar month ("Monthly Payments"). Invoices for Monthly Payments will be mailed or emailed no later than ten (10) days after the end of a calendar month. If you are paying your invoice by automatic debit from your checking

or savings account (ACH) we will debit your bank account on or about the 1st day of the next month following invoice (e.g. January invoices are sent in early February and debited on or about March 1). Monthly Payments will change as your price per kWh changes over the Term of this PPA and as System production varies (e.g., summer has higher production). You will have regular access to the System's production via your [Provider's] online account. Payments due upon installation, if any, are due immediately prior to commencement of installation. **You will make no Monthly Payments if you are fully prepaying this PPA. In this case, you will pay only the amounts listed in the key terms summary on page one of this PPA.]]**

(c) **Estimated Production.** If (i) the System is shut down for more than seven (7) full twenty-four (24) hour days cumulatively during the Term because of your actions; (ii) you take some action that significantly reduces the output of the System; (iii) you don't trim your bushes or trees to their appearance when you signed this PPA to avoid foliage growth from shading the System; or (iv) your System is not reporting production to [Provider] (e.g. you have disconnected the [Monitoring System Name] system or [[the internet]] connection at your Home goes down on the reporting day), then [Provider] will reasonably estimate the amount of power that would have been delivered to you during such System or reporting outages or reduced production periods ("Estimated Production") and shall consider Estimated Production as actual production for purposes of this paragraph. In the first year of the Term, Estimated Production will be based on our production projections. [[After the first year of the Term, Estimated Production will be based on historical production for that month in the prior year.]] If we bill you for Estimated Production because your System is not reporting production to [Provider], and we subsequently determine that we have either overestimated or underestimated the actual production, then we will adjust the next bill downward (to refund overbilling) or upward (to make up for lost billing). You will not be charged for Estimated Production when the System is not producing electricity due to [Provider's] fault, or if it's due to grid failure or power outages caused by someone other than you. **[[PROVIDER DOES NOT WARRANT OR GUARANTEE THE AMOUNT OF ENERGY PRODUCED BY THE SYSTEM FOR ANY PERIOD OR THAT YOU WILL REALIZE ANY SAVINGS AS COMPARED TO THE COSTS OF PURCHASING YOUR POWER FROM THE LOCAL UTILITY.]]**

5. **Power Purchase Agreement Obligations.**

(a) **System, Home and Property Maintenance**

You agree to:

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when the Installer installed it;

- (iii) not modify your Home in a way that shades the System;
 - (iv) be responsible for any conditions at your Home that affect the installation (e.g., blocking access to the roof, or removing a tree that is in the way, prior work you have done on your Home that was not permitted);
 - (v) not remove any markings or identification tags on the System;
 - (vi) As set forth in 5(g)(i), permit [Installer, Provider, its designees, or its financing parties], after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
 - (vii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
 - (viii) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;
 - (ix) notify [Provider] if you think the System is damaged or appears unsafe; if any part of the System is stolen; and prior to changing your power supplier;
 - (x) have [[anyone/someone]] who has an ownership interest [[and requisite authority]] in your Home sign this Power Purchase Agreement;
 - (xi) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
 - (xii) [[maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s). See section 2(c) of the Limited Warranty for details.]]
- (b) System Construction**
- The System will be installed at the Property by the Installer pursuant to the Installation Agreement.
- (c) Repair, Insurance and [Provider's] obligations:**
- [Provider] agrees to:**
- (i) [[provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;]]
 - (ii) [[provide you with a home energy evaluation;]]
 - (iii) insure the System against all damage or loss unless (A) that damage or loss is caused by your gross negligence; or (B) you intentionally damage the System; [[Upon damage or destruction to the System, you will not be entitled to receive or retain any insurance proceeds. In cases where we bear the risk of loss, our sole obligation to you will be to arrange to repair or replace the System to the extent required by the [Warranty]]]
 - (iv) Arrange for repair of the System pursuant to the Limited Warranty by service providers licensed according to applicable law, and reasonably cooperate with you when arranging repairs;
 - (v) [[create a priority stream of operation and maintenance payments to provide enough cash flow in our financing transactions to pay for the Limited Warranty obligations and the repair and maintenance of the System in accordance with this PPA even if [Provider] ceases to operate; and]]
 - (vi) [[not put a lien on your Home or Property.]]
- (d) Home Renovations or Repairs**
- If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only have the System removed and replaced pursuant to the Limited Warranty.
- (e) Automatic Payment, Late Charges**
- In addition to the other amounts you agree to pay in this Power Purchase Agreement, you agree to pay the following:
- (i) [[Product Change Fee: if after you sign this Power Purchase Agreement, but before we begin installation, you decide you would prefer an alternative [Provider] product (a [name of alternative product], or a prepaid PPA, etc.) you will pay a [\$250] change fee;]]
 - (ii) [[Automatic Payment Discount: All prices include a [\$7.50] monthly discount for using automatic payment. You will not receive a [\$7.50] monthly discount if you do not make automatic Monthly Payments through your checking or savings account;]]
 - (iii) [[Returned Check Fee: [\$25] (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and]]
 - (iv) [[Late Payments: accrue interest at the lesser of twelve percent [(12%)] annually or the maximum allowable percentage by applicable law.]]
- (f) Estimated Taxes**
- [[Your [Provider] electricity rate of [\$0.XXXX] per kWh is composed of an electricity rate of [\$0.YYYY] plus current taxes of [\$0.ZZZZ]].

You agree to pay any changes in the applicable taxes related to this PPA. Thus, if tax rates change, your [Provider] [[electricity rate or the amount you pay]] will change to reflect this rate change. If this PPA contains a purchase option [[at the end of the Term,]] you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable [[personal property]] taxes on the System that your local jurisdiction may levy.

(g) No Alterations

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without [Provider's] prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be [Provider's] property.

(h) Access to the System

- (i) You grant to [Provider, financing parties] and its employees, agents, service providers and contractors the right to reasonably access all of the Property as necessary for the purposes of (A) operating, maintaining, owning, repairing, removing and replacing the System or making any additions to the System or installing complementary technologies on or about the location of the System; (B) enforcing [Provider's, or financing parties] rights as to this Power Purchase Agreement and the System; (C) using and maintaining electric lines and inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (D) taking any other action reasonably necessary in connection with operating, maintaining, owning, repairing, removing and replacing the System. This access right shall continue for up to ninety (90) days after this Power Purchase Agreement expires to provide [Provider] with time to remove the System at the end of the Power Purchase Agreement. [Provider] shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.
- (ii) During the time that [Provider] has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. [[You agree that the System is not a fixture, but [Provider] has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System. Neither this PPA nor

any UCC-1 financing statement we may file in connection with this PPA constitutes or imposes a consensual lien on your Home or Property.]]

(i) Indemnity

To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless [Provider], its employees, officers, directors, agents,[[financing partners]], successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify [Provider] for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Power Purchase Agreement.

(j) Payments

SUBJECT TO SECTION 4(b) ABOVE, YOU AGREE THAT THE OBLIGATION TO PAY ALL PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS PPA SHALL BE, ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE, AND CONTINUE TO BE, PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 6, 22 AND 23, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS PPA, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

(k) Credit Check

[[[Provider] may have prescreened your credit. Prescreening of credit does not impact your credit score. You can choose to stop receiving "prescreened" offers of credit from this and other companies by calling toll-free, 1-888-5-OPTOUT (1-888-567-8688).]] [[You authorize [Provider], or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with [Provider's] financing partners. You certify that all information you provide to us in connection with checking your credit will be true and

understand that this information must be updated upon request if your financial condition changes.]]

6. Conditions Prior to Installation of the System; Change Orders.

- (a) [Provider's] obligation to sell you the power the System produces is conditioned on the following items having been completed to its reasonable satisfaction by the Installer or other service providers chosen by [Provider]:
- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
 - (ii) [[approval of this Power Purchase Agreement by [Provider's] financing parties]];
 - (iii) your meeting the applicable credit criteria;
 - (iv) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payments set forth in this Power Purchase Agreement;
 - (v) confirmation that [Provider] will obtain all applicable benefits referred to in Section 9;
 - (vi) [[receipt of all necessary zoning, land use and building permits; and]]
 - (vii) completion of any renovations, improvements or changes [[reasonably required]] at your Home or on the Property [[which have been agreed upon in writing]] (e.g., removal of a tree or necessary roof repairs to enable the Installer to safely install the System).

[Provider] may terminate this Power Purchase Agreement without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vii) will not be satisfied for reasons beyond its reasonable control. Once the Installer starts installation, however, [Provider] may not terminate this Power Purchase Agreement for your failure to satisfy conditions (i) through (vii) above.

(b) Amendments.

[[The System's production will be documented in an amendment to this PPA.]] You authorize [Provider] to make corrections to the utility paperwork to conform to this PPA or any amendments to this PPA we both sign.

[Provider] may terminate this PPA if, in our reasonable judgment, the installation of the System will not occur within 120 days of the date

of this agreement being fully executed by all parties for reasons beyond our reasonable control.

7. Warranty.

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT 2**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

8. Transfer.

[[[Provider] will assign this PPA to one of its financing partners.]] You agree that [Provider] may assign, sell or transfer the System and this Power Purchase Agreement, or any part of this Power Purchase Agreement or the exhibits, without your consent. This assignment does not change [Provider's] obligation to ensure that the System is maintained and repaired as set forth in the Warranty. [[Any assignment of [Provider's] rights and/or obligations under this Agreement shall not result in any change to your rights and obligations under this Agreement.]]

9. Ownership of the System; Tax Credits and Rebates.

You agree that the System is [Provider's] personal property under the Uniform Commercial Code. You understand and agree that this PPA is not a contract to sell or lease the System to you. [Provider] owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by [Provider], and shall at your expense protect and defend [Provider] against the same.

You understand and agree that any and all tax credits, incentives, renewable energy credits, green tags, carbon offset credits, utility rebates or any other non-power attributes of the system are the property of and for the benefit of [provider], usable at its sole discretion. [provider] shall have the exclusive right to enjoy and use all such benefits, whether such benefits exist now or in the future. You agree to refrain from entering into any agreement with your utility that would entitle your utility to claim any such benefits. You agree to reasonably cooperate with [provider] so that it may claim any tax credits, renewable energy credits, rebates, carbon offset credits or any other benefits from the system. This may include to the extent allowable by law, entering into net metering agreements, interconnection agreements, and filing renewable energy/carbon offset credit registrations and/or applications for rebates from the federal, state or local government or a local utility and giving these tax credits, renewable energy/carbon credits, rebates or other benefits to [provider].

10. Purchasing the System [[Prior to the End of the Term]].

In addition to having the option to purchase the System at the end of the Term, you have the option to purchase the System prior to the end of the Term as detailed below. To exercise this option you must be in good standing under this Power Purchase Agreement and you need to give us at least one (1) month's, but not more than three (3) months' prior written notice. You can purchase this System:

- (i) on the five (5) year anniversary of the beginning of the Term [[and every annual anniversary after the five (5) year anniversary]]; and
- (ii) at any time after the five (5) year anniversary of the beginning of the Term, when you sell your Home; and
- (iii) if [Provider] ever ceases its operations and fails to provide for a substitute provider.

[[In each of (i), (ii) and (iii) above, the price you will pay for the System will be the System's fair market value ("FMV"). The interests of any financing party shall not be taken into account when determining the FMV; a third party independent appraiser will be retained to compute the System's FMV]]. [Provider's] maintenance and repair obligations under the Limited Warranty (Exhibit 2) will [[continue/end]] when you purchase the System until what would have been the end of the original Term.

11. Renewal.

[[If you are in compliance with your PPA, you [and your Provider] have the option to renew your PPA for up to ten (10) years in two (2) five (5) year renewal periods. We will send you renewal forms three (3) months prior to the expiration of the Term, which forms shall set forth the new Monthly Payments due under the renewal PPA, based on our assessment of the then current fair market value of the System. If you want to renew, complete the renewal forms and return them to us at least one (1) month prior to the end of the PPA. In the event that you do not agree to the new Monthly Payments this PPA shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal forms, then this PPA shall renew for an additional one (1) year term at ten percent (10%) less than the then-current average rate charged by your local utility and shall continue to renew for one (1) year terms at the same rate as your first renewal until (i) you give us notice at least thirty (30) days prior to a renewal term that you do not wish to renew; or (ii) we send you a notice terminating the PPA.]]

12. Selling Your Home.

- (a) If you sell your Home you can:

(i) Transfer this Power Purchase Agreement and the Monthly Payments

If the person buying your Home meets [Provider's] credit requirements, then where permitted by the local utility, the person buying your Home can sign a transfer agreement assuming all of your rights and obligations under this Power Purchase Agreement.

(ii) Move the System to Your New Home

Where permitted by the utility(s), the System can be moved to your new home pursuant to Section 4 of the Limited Warranty. You will need to provide the same rights to [Provider] as provided for in this PPA and provide any third party consents or releases required by [Provider] in connection with the substitute premises.]]

(iii) Prepay this Power Purchase Agreement and Transfer only the Use of the System]]

At any time during the Term, you can prepay this Power Purchase Agreement in full by [[paying [Provider] the expected remaining payments (estimated future production during the rest of the Term multiplied by the average kWh rate during the rest of the Term) at a five percent [(5%)] discount rate]]. The person buying your Home will only need to sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this PPA. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this PPA.

(iv) Purchase the System (see Section 10)]]

- (b) You agree to give [Provider] at least [fifteen (15)] days but not more than [three (3)] months prior written notice if you want someone to assume your PPA obligations. In connection with this assumption, you, your approved buyer and [Provider] shall execute a written transfer of this PPA.
- (c) If you sell your Home and can not comply with any of the options in subsection (a) above, you will be in default under this Power Purchase Agreement. Section 12(a) includes a Home sale by your estate or heirs.
- (d) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THIS PPA WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

13. Loss or Damage.

- (a) [[Unless you are grossly negligent or you intentionally damage the System, [Provider] will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of

the System]]. Except as expressly provided in this PPA, no loss, damage, theft or destruction will excuse you from your obligations under this PPA, including Monthly Payments.

- (b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default of this PPA, you shall continue to timely make all Monthly Payments and pay all other amounts due under the PPA and, cooperate with [Provider], at [Provider's] sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

14. Limitation of Liability.

(a) No Consequential Damages

[PROVIDER'S] LIABILITY TO YOU UNDER THIS POWER PURCHASE AGREEMENT SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages

EXCEPT FOR CLAIMS UNDER SECTION 5(H), [[NEITHER PARTY'S LIABILITY TO THE OTHER WILL EXCEED AN AMOUNT EQUAL TO THE MAXIMUM AMOUNT THAT COULD BE PAYABLE BY YOU UNDER SECTION 16(H). DAMAGES TO YOUR HOME, BELONGINGS OR PROPERTY RESULTING FROM THE INSTALLATION OR OPERATION OF THE SYSTEM ARE COVERED IN SECTION 6(C) OF THE LIMITED WARRANTY]].

15. Default.

You will be in default under this Power Purchase Agreement if any one of the following occurs:

- (a) [[you fail to make any payment when it is due and such failure continues for a period of ten (10) days;]]
- (b) you fail to perform any material obligation that you have undertaken in this PPA (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of [fourteen (14) days] after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Power Purchase Agreement;
- (d) you assign, transfer, encumber, sublet or sell this PPA or any part of the System without [Provider's] prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated

bankrupt or insolvent or undertakes or experiences any substantially similar activity.

16. Remedies in Case of Default.

If this Power Purchase Agreement is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may:

- (a) terminate this PPA;
- (b) take any reasonable action to correct your default or to prevent our loss; any amount we pay will be added to the amount you owe us and will be immediately due;
- (c) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (d) proceed, by appropriate court action, to enforce performance of this PPA and to recover damages for your breach;
- (e) disconnect, turn off or take back the System by legal process or self-help[, but we may not disturb the peace or violate the law;]]
- (f) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (g) charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- (h) recover from you (i) a payment equal to the purchase price as set forth in this agreement plus (ii) all taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing; [and (iii) seek a pre or post judgment lien or similar security interest on or against your home;] or
- (i) use any other remedy available to us in this PPA or by law.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this PPA as required.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, [Provider] does not give up its right to use another remedy. By deciding not to use any remedy should this Power Purchase Agreement be in default, [Provider] does not give up our right to use that remedy in case of a subsequent default.

17. System Removal; Return.

At the end of the Term or the termination of this PPA, if you have not renewed this PPA or exercised your

purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call [Provider] at the [[telephone number]] listed in Section 7 of Exhibit 2 to schedule a convenient time for [Provider] to have the System removed from your Home at no cost to you.

18. Applicable Law; Arbitration.

PLEASE READ THIS SECTION CAREFULLY. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY.

The laws of the state where your Home is located shall govern this PPA without giving effect to conflict of laws principles. We agree that any dispute, claim or disagreement between us (a "Dispute") shall be resolved exclusively by arbitration.

The arbitration, including the selecting of the arbitrator, will be administered by JAMS, under its Streamlined Arbitration Rules (the "Rules") by a single neutral arbitrator agreed on by the parties within thirty (30) days of the commencement of the arbitration. The arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate the arbitration process by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. The arbitration shall be held in the location that is most convenient to your Home. If a JAMS office does not exist within 50 (fifty) miles of your Home, then we will use another accredited arbitration provider with offices close to your Home.

If you initiate the arbitration, you will be required to pay the first \$125 of any filing fee. We will pay any filing fees in excess of \$125 and we will pay all of the arbitration fees and costs. If we initiate the arbitration, we will pay all of the filing fees and all of the arbitration fees and costs. We will each bear all of our own attorney's fees and costs except that you are entitled to recover your attorney's fees and costs if you prevail in the arbitration and the award you receive from the arbitrator is higher than [Provider's] last written settlement offer. When determining whether your award is higher than [Provider's] last written settlement offer your attorney's fees and costs will not be included.

Only Disputes involving you and [Provider] may be addressed in the arbitration. Disputes must be brought in the name of an individual person or entity and must proceed on an individual (non-class, non-representative) basis. The arbitrator will not award relief for or against anyone who is not a party. If either of us arbitrates a Dispute, neither of us, nor any other person, may pursue the Dispute in arbitration as a class action, class arbitration, private attorney general action

or other representative action, nor may any such Dispute be pursued on your or our behalf in any litigation in any court. Claims regarding any Dispute and remedies sought as part of a class action, class arbitration, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. This means that the arbitration may not address disputes involving other persons with disputes similar to the Disputes between you and [Provider].

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant under this agreement. The arbitrator, however, is not authorized to change or alter the terms of this agreement or to make any award that would extend to any transaction other than yours. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. The arbitrator will issue a decision or award in writing, briefly stating the essential findings of fact and conclusions of law.

BECAUSE YOU AND WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

19. Waiver.

Any delay or failure of a party to enforce any of the provisions of this PPA, including but not limited to any remedies listed in this PPA, or to require performance by the other party of any of the provisions of this PPA, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this PPA.

20. Notices.

All notices under this PPA shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified or registered mail, return receipt requested.

21. Entire Agreement; Changes.

This PPA contains the parties' entire agreement regarding the sale and purchase of power generated by the System. There are no other agreements regarding

this PPA, either written or oral. Any change to this PPA must be in writing and signed by both parties. If any portion of this PPA is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

PUBLICITY

[[[Provider] will not publicly use or display any images of the System unless you initial the space below. If you initial the space below, you give [Provider] permission to take pictures of the System as installed on your Home to show to other customers or display on our website.]]

Homeowner's Initials

22. NOTICE OF RIGHT TO CANCEL.

YOU MAY CANCEL THIS CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

23. ADDITIONAL RIGHTS TO CANCEL.

[[IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS PPA UNDER SECTION 22, UNLESS INSTALLATION OF YOUR SYSTEM HAS ALREADY COMMENCED, YOU MAY ALSO CANCEL THIS PPA AT NO COST AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER YOU SIGN THE FIRST AMENDMENT TO THIS PPA DETAILING YOUR ESTIMATED PRODUCTION.]]

I have read this Power Purchase Agreement and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Power Purchase Agreement.

Owner's Name: [NAME]

Signature: _____

Date: _____

Co-Owner's Name (if any):

Signature: _____

Date: _____

[PROVIDER'S LOGO HERE. POSSIBLE ADDITIONAL SIGNATORIES INCLUDED IN USER NOTES]

Power Purchase Agreement

Signature: _____

Date: _____

**EXHIBIT 1 ([PROVIDER] COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE**

Notice of Cancellation

Date of Transaction: The date you signed the Power Purchase Agreement.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the seller ([Provider] Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller ([Provider] Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller ([Provider] Corporation) regarding the return shipment of the goods at the seller's ([Provider] Corporation's) expense and risk. If you do make the goods available to the seller ([Provider] Corporation) and the seller ([Provider] Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller ([Provider] Corporation), or if you agree to return the goods to the seller ([Provider] Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to [Provider] Corporation, [Provider's Address Here] NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Power Purchase Agreement.

I, [NAME], HEREBY CANCEL THIS TRANSACTION on _____ [Date].

Owner's Signature:

Co-Owner's Signature:

EXHIBIT 1 (CUSTOMER COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE

Notice of Cancellation

Date of Transaction: The date you signed the Power Purchase Agreement.

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the seller ([Provider] Corporation) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller ([Provider] Corporation) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller ([Provider] Corporation) regarding the return shipment of the goods at the seller's ([Provider] Corporation's) expense and risk. If you do make the goods available to the seller ([Provider] Corporation) and the seller ([Provider] Corporation) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller ([Provider] Corporation), or if you agree to return the goods to the seller ([Provider] Corporation) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to [Provider] Corporation, [Provider's Address Here] NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Power Purchase Agreement.

I, [NAME], HEREBY CANCEL THIS TRANSACTION on _____ [Date].

Owner's Signature:

Co-Owner's Signature:

EXHIBIT 2

PERFORMANCE GUARANTEE AND LIMITED WARRANTY

1. INTRODUCTION

This [Performance Guarantee and Limited Warranty] (this "Limited Warranty") is [Provider's] agreement to provide you warranties on the System you are hosting pursuant to our PPA. The System will be professionally installed by the Installer at the address you listed in the PPA. We will refer to the installation location as your "Property" or your "Home." This Limited Warranty begins when the Installer installs the System at your Home, provided that [Provider] has countersigned the PPA. [[We look forward to helping you produce clean, renewable solar power at your Home.]]

2. LIMITED WARRANTIES

(a) Limited Warranties

[Provider] warrants the System as follows:

(i) System Warranty

During the entire Power Purchase Agreement Term, under normal use and service conditions, the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components (the "System Warranty");

(ii) Roof Warranty

[[If installing the System requires penetrating your roof during a System installation we will warrant roof damage caused due to such roof penetrations. This roof warranty will run the longer of (A) one (1) year following the completion of the System installation; and (B) the length of any existing installation warranty or new home builder performance standard for your roof (the "Roof Warranty Period"); and]]

(iii) Repair Promise

During the entire Power Purchase Agreement Term, [Provider] will honor the System Warranty and will arrange to repair or replace any defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. If we or a contractor we retain damages your Home, your belongings or your Property we will arrange to repair the damage caused or pay you for the damage caused as described in Section 6. [Provider's] service providers may use new or reconditioned parts when making repairs or replacements. [Provider] may also, at no additional cost to you, have its service providers upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at [Provider's] discretion.

(b) Warranty Length

- (i) [[The warranties in Sections 2(a)(i) and 2(a)(iii) above will start when the Installer begins installing the System at your Home (provided that [Provider] has countersigned the PPA) and continue through the entire Power Purchase Agreement Term but never less than ten (10) years. Thus, for as long as you host the System from [Provider] under a PPA, you will have a System Warranty and our Repair Promise.]]
- (ii) The Roof Warranty Period may be shorter than the System Warranty, as described in Section 2(a)(ii) above.
- (iii) If you have assumed an existing PPA, or purchased the System during the Term of your PPA, then this Limited Warranty will cover you for the remaining balance of the existing PPA Term.

(c) Performance Warranties and Guarantee

(i) Performance Guarantee

[[[Provider] guarantees that during the Power Purchase Agreement Term the System will operate within manufacturer's specifications and if it does not that [Provider] will arrange to repair or replace any defective part and restore System performance.]]]

(ii) [Monitoring Software Name]

[[During the Power Purchase Agreement Term, we will provide you at no additional cost our [Monitoring Software Name] Monitoring Service ("[Monitoring Software Name]"). [Monitoring Software Name] is a proprietary monitoring system that captures and displays historical power generation data over an Internet connection [cellular network] and consists of hardware located on site and software hosted by [Provider]. If the System is not operating within normal ranges, [Monitoring Software Name] will alert us and we will remedy any material issues.]]

(iii) [Upgraded Monitoring Software Name]

If you have upgraded your PPA to include the [Upgraded Monitoring Software Name] Monitoring Service ("[Upgraded Monitoring Software Name]"), [Provider] will provide it to you for the first ten (10) years of the Term. [Upgraded Monitoring Software Name] is a [Monitoring Software Offered] improvement that captures and displays historical power consumption data. Not all home power systems are compatible with [Upgraded Monitoring Software Name]. If you ordered [Upgraded Monitoring Software Name] and your Home is not compatible with [Upgraded Monitoring Software Name], then [Provider] will adjust your PPA payments to reflect its removal.

(iv) Output Warranty

[[The System's rated electrical output during the first ten (10) years of the Power Purchase Agreement Term shall not decrease by more than fifteen percent (15%).]]

(d) Maintenance and Operation

(i) General

[[When the System is installed, [Provider] will provide you with a link to its [Name of Guide Paperwork]. This Guide provides you with System operation instructions, answers to frequently asked questions, troubleshooting tips and service information. [Provider] will arrange for service providers to perform all required System maintenance.]]

(ii) [Monitoring Software Name]

[[Both the [Monitoring Software Name] service and its [Upgraded Monitoring Software Name] upgrade require a high speed Internet line to operate. Therefore, during the Power Purchase Agreement Term, you agree to maintain the communication link between [Monitoring Software Name] and the System and between [Monitoring Software Name] and the Internet. You agree to maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line we will not be able to monitor the System and provide you with a performance guarantee or provide a [Upgraded Monitoring Software Name] upgrade. Further, if [Monitoring Software Name] is not operational, [Provider] will be required to estimate your power usage as set forth in the PPA.]]

(e) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing us at the email address in Section 7 below;
- B. writing us a letter and sending it overnight mail with a well-known service; or
- C. sending us a fax at the number in Section 7 below.

(ii) Transferable Limited Warranty

[Provider] will accept and honor any valid and properly submitted Warranty claim made during any Term by any person who either purchases the System from you or to whom you properly transfer the PPA.

(f) Exclusions and Disclaimer

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement or correction required due to the following:

- (i) someone other than [Provider's] approved service providers installed, removed, re-installed or repaired the System;
- (ii) destruction or damage to the System or its ability to safely produce power not caused by [Provider] or its approved service providers while servicing the System (e.g., if a tree falls on the System we will replace the System per the Power Purchase Agreement, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Power Purchase Agreement (e.g., you modify or alter the System);
- (iv) your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us and our service providers in diagnosing or repairing a problem;
- (v) any Force Majeure Event (as defined below);
- (vi) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (vii) any system failure or lost production not caused by a System defect (e.g., the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area); and
- (viii) theft of the System (e.g., if the System is stolen we will replace the System per the Power Purchase Agreement, but we will not repay you for the power it did not produce).

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System other than that described above.

THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) and (c) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY [PROVIDER] WITH RESPECT TO THE SYSTEM. [PROVIDER] HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM.

3. [PROVIDER'S] STANDARDS

For the purpose of this Limited Warranty the standards for our performance, and that of our service providers, will be (i) normal professional standards of performance within the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

4. SYSTEM REPAIR, RELOCATION OR REMOVAL

- (a) **Repair.** You agree that if (i) the System needs any repairs that are not the responsibility of [Provider] under this Limited Warranty, (ii) the system needs to be removed and reinstalled to facilitate remodeling of your Home or (iii) the system is being relocated to another home you own pursuant to the Power Purchase Agreement, you will have a qualified service provider approved by [Provider], at your expense, perform such repairs, removal and reinstallation, or relocation.
- (b) **Removal/Moving.** [[[Provider] will arrange to remove and replace the System from your roof while roof repairs are being made for a payment of \$499. You will need to provide storage space for the System during such time. Where permitted under the PPA, [Provider] will work with you to move the System to your new home as follows: (i) [Provider] will conduct an audit of your existing Home and new home to determine if a move is commercially feasible. This audit will cost \$499. If [Provider] determines that a move is commercially feasible, it will then arrange to move the System for an additional payment of [\$499]]].
- (c) **Return.** If at the end of the Term you want to return the System to [Provider] under Section 17 of the PPA then [Provider] will arrange to remove the System at no cost to you. [[[Provider] will arrange to remove the posts, waterproof the post area and return the roof as close as is reasonably possible to its original condition before the System was installed (e.g. ordinary wear and tear and color variances due to manufacturing changes are excepted). [Provider] will warrant the waterproofing for one (1) year after it removes the System.]] You agree to reasonably cooperate with [Provider] and its service providers in removing the System including providing necessary space, access and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

If [Provider] is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, [Provider] will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) [Provider], as soon as is reasonably practical, gives you notice describing the Force Majeure Event;
- (b) [Provider's] suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e., when a Force Majeure Event is over, we will arrange to make repairs); and
- (c) No [Provider] obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by [Provider's] fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from [Provider's] failure to have exercised reasonable diligence); power or voltage surge caused by someone other than [Provider] including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by [Provider] or under its control.

6. LIMITATIONS ON LIABILITY

(a) No Consequential Damages

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(c) AND 6(C) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL [PROVIDER] OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES

DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, [Provider's] total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Monthly Payments over the Term of the Power Purchase Agreement and (b) the original cost of the System; and
- (ii) [[For damages to your Home, Belongings and Property: [exceed two million dollars (\$2,000,000).]]]

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Power Purchase Agreement to the addresses listed below:

TO [PROVIDER]: [[[Provider]
Address
Attention: Warranty Claims
Telephone:
Facsimile:
Email:]]]

TO YOU: At the billing address in the Power Purchase Agreement
or any subsequent billing address you give us.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

[Provider] may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of [Provider's] obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who hosts the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Power Purchase Agreement. This Limited Warranty contains the parties' entire agreement regarding the limited warranty of the System.

AUTHORIZATION FOR AUTOMATIC PAYMENTS FROM YOUR CHECKING ACCOUNT

Setting up automatic payments from your checking account is a convenient service that saves you time and money and ensures your solar panel payments will always be made on time. [Provider] and John Smith ("Customer") agree to establish automatic payments of the payments due under the Power Purchase Agreement (the "Agreement") between the parties. Customer hereby authorizes [Provider] to initiate debit entries to the checking account indicated below to facilitate payments for (i) the First Monthly Payment (if any) set forth in Section 4 of the Agreement and (ii) subsequent Monthly Payments (as defined in the Agreement) and applicable sales or use tax. Customer hereby authorizes the depositing financial institution named below to enter such debits or credits to such account. Customer also acknowledges that [Provider] may assign the Agreement to a third-party and that the assignee may then initiate debit entries per this Authorization Agreement.

Bank Name:

Routing No.:

Account No.:

Payment Terms

[Provider] will supply Customer with a monthly bill detailing the amount owed for that billing period. [Provider] will process debit entries to the above account in an amount not to exceed the amount due under the Agreement for:

(i) the First Monthly Payment which is due on the first day of the first full calendar month following the Interconnection Date (as defined in the Agreement) or, if the Interconnection Date is the first day of a calendar month, then on the Interconnection Date; and

(ii) scheduled Monthly Payments which are due on the 1st day of each calendar month.

Notice of Changes

Customer hereby acknowledges that the automatic payment information provided is correct. If this information changes, Customer must notify [Provider] immediately. If [Provider] incurs any fees as a result of inaccurate or out of date information, Customer will be billed for those charges. Also, [Provider] reserves the right to change the conditions of the Agreement at any time. Notice will be given on or with the monthly bill or by other methods.

Limitation of Liability

[Provider] bears no liability or responsibility for any losses incurred due to any delay in the actual date on which the bank account is debited. In order to process the electronic funds transfer, Customer must have sufficient funds available in the bank account provided. Additionally, Customer is responsible for any fees the account-holding financial institution may charge for electronic payments. Customer hereby agrees to be bound by any rules the account-holding financial institution requires for automatic electronic payments.

Termination and Right to Cancel

Customer hereby acknowledges that this Authorization Agreement will not be terminated until the Agreement is paid in full, or Customer provides written notification via certified mail of such termination of this Authorization Agreement and has allowed [Provider] a reasonable amount of time to act upon the request. The termination of the Authorization Agreement does not terminate the Agreement or Customer's obligation to make payments required by the Agreement. Under federal law, Customer has the right to stop an automatic payment. Customer must give at least three business days' oral or written notice before the scheduled payment date in order to stop an automatic payment.

By signing below, Customer represents to [Provider] that all persons whose signatures are required to withdraw funds from the above referenced account have executed this Authorization Agreement. Customer hereby acknowledges receipt of a copy of this Authorization Agreement for his/her records.

Customer: _____

Date: _____

Installation Location: [Address]

INSTALLATION AGREEMENT

This INSTALLATION AGREEMENT is entered into by and between _____ ("you," "your" or "Owner") and _____ ("Installer") as of _____ (the "Installation Agreement"). All terms set forth in this Installation Agreement shall have the meanings provided in the Power Purchase Agreement by and between Owner and _____ ("Provider") dated as of _____ [and bearing serial number _____] (the "PPA").

1. INSTALLATION

You and Installer acknowledge and agree that the System to be installed on your Property will be designed, procured, constructed, installed, tested and interconnected by Installer (the "Installation").

2. YOUR OBLIGATIONS

You agree to:

- (i) grant Installer and its contractors and agents reasonable access to your Property and cooperate with Installer for the purpose of the Installation, including installing, using and maintaining electric lines, inverters and meters necessary to interconnect the System to your electric system.
- (ii) cooperate with Installer and assist in obtaining any permits needed, including any documentation related to net metering.
- (iii) obtain any consent of a third party required for the Installation, such as a home owner's association. Installer will provide reasonable assistance to assist you in obtaining any required third party consent.
- (iv) allow Installer to connect the System to your local electric utility grid and provide all necessary authorizations for such interconnection.

3. INSTALLER'S OBLIGATIONS

a. Installation, Insurance and Liability.

Installer agrees to:

- (i) schedule the Installation of the System at a mutually convenient date and time.
- (ii) construct the System according to written plans you review.
- (iii) notify you if the System design has to be materially changed so that you can review any such changes;
- (iv) give you reasonable notice when Installer or its contractors need to access the System and/or your Property.
- (v) keep your Property reasonably free from waste materials or rubbish caused by Installer or its contractors' activities during the Installation process
- (vi) remove all of Installer's or its contractor's tools, construction/installation equipment, machinery, waste materials and rubbish from and around your Property prior to utility approval of the System.
- (vii) guarantee that any roof penetrations made for the System shall be completely weather-tight for the period of [five (5) years].
- (viii) return your Property to a condition similar to its original condition at the completion of Installation, excluding normal wear and tear (subject to Excluded Services performed pursuant to Section 5 below).
- (ix) carry adequate commercial general liability, commercial automobile liability, workers' compensation and any other insurance required by applicable laws and regulations. You may request from Installer evidence of a contractor's insurance coverage.
- (x) be solely responsible for damage caused to your Property, property of third parties, or bodily injury arising from the Installation caused by Installer or its agents.

b. Conditions to Installation. Installer's obligation to install the System is conditioned on the completion of a thorough physical inspection of your Property and other due diligence to confirm the suitability of your Property for the construction, installation and operation of the System.

4. [PROVIDER]

- (i) [[Installer is not in the business of owning solar panel systems after Installation. Because you have agreed to purchase the power to be generated by the System from [Provider], [Provider] has agreed to purchase the System from Installer following installation]].
- (ii) [[If the System is not installed to [Provider]'s satisfaction within one hundred and twenty (120) calendar days (except for certain force majeure exceptions determined by [Provider]) after [Provider]'s execution of its PPA with you, at [Provider's] option [Provider] may decline to purchase the System and Installer shall thereafter be solely responsible for either (i) finding a different purchaser for the System or (ii) ensuring that the System or any part thereof is removed from your Property and that your Property is returned to its original condition excluding normal wear and tear (subject to Excluded Services performed pursuant to Section 5 below) (and you agree to grant Installer reasonable access to your Property to remove the System in this circumstance)]]].

5. SERVICES NOT INCLUDED IN THE INSTALLATION (EXCLUDED SERVICES)

This Agreement does not include an obligation by Installer to:

- (i) [[remove or dispose of any hazardous substances that currently exist on your Property;]]
- (ii) [[improve the construction of the roof of your Property to support the System;]]
- (iii) [[remove or replace existing rot, rust or insect-infested structures;]]
- (iv) [[provide structural framing for any part of your Property;]]
- (v) [[pay for or correct construction errors, omissions or deficiencies by you or your contractors;]]
- (vi) [[pay for, remove or remediate mold, fungus, mildew or organic pathogens;]]
- (vii) [[upgrade your existing electrical service;]]
- (viii) [[install any smoke detectors, sprinklers or life safety equipment required by municipal code or inspectors as a result of the System installation;]]
- (ix) [[pay for the removal or re-location of equipment, obstacles or vegetation in the vicinity of the System;]]
- (x) [[pay for any costs associated with municipal design or architectural review, or other specialty permits (this includes cost to attend any public hearings, notification of neighbors or additional drawings required);]]
- (xi) [[paint electrical boxes or conduit at your Property; or]]
- (xii) [[move items unassociated with the System around your Property.]]

6. PERFORMANCE OF EXCLUDED SERVICES

If an obligation listed as an exclusion in Section 5 (an "Excluded Service") must be performed in order to properly complete the installation of the System:

a. Proposal. Installer will promptly notify you of the necessity of such Excluded Services. If appropriate, Installer will present a proposal of the costs to you for Installer to perform such Excluded Services.

b. Your Obligation. You agree to promptly either sign a separate contract for the Excluded Services with Installer, or to cause such Excluded Services to be completed by a separate contractor in accordance with Installer's Installation schedule.

c. [[No Extension. The completion of Excluded Services will not extend the 120 day installation deadline referenced in Section 3(c)(ii).]]

7. DEPOSIT

Installer may collect a security deposit of \$_____ (the "**Deposit**") which will be fully refunded to you upon completion of the Installation, unless you cancel this Installation Agreement prior to completion of the Installation. Notwithstanding the foregoing, you have a right to cancel this Installation Agreement by using the written statutorily-mandated Notice of Cancellation included as Exhibit 1 within three (3) business days of the date you signed it and to receive a refund of the Deposit. No other amounts are due under this Installation Agreement.

8. CONFLICTS

In the event of any conflict between the terms of this Installation Agreement and any other agreement between you and Installer, the terms of this Installation Agreement shall control.

9. MISCELLANEOUS PROVISIONS

- a. **Property Ownership.** You represent and warrant that you are the owner of the Property.
- b. **Concealed Conditions.** To the best of your knowledge, there are no conditions, concealed or otherwise, that would or may impede or delay the Installation or cause the Property to be unsuitable for the Installation, including but not limited to dry rot, termites or mold.
- c. **Roof Warranty.** If the Installation is to a roof, you acknowledge and accept that any roof penetrations necessary to complete the Installation of a System may void any existing warranty of the roof manufacturer or roof installer.

10. TERM AND TERMINATION

This Installation Agreement shall continue in full force and effect until terminated by Installer with or without cause, effective upon written notice to you. Upon termination, those obligations which by their nature should survive shall continue, such as (without limitation) Installer's indemnity, removal and clean-up obligations, and Installer's liability for damages as set forth in Section 3(a)(ix) of this Installation Agreement.

11. NOTICE OF RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. SEE THE NOTICE OF CANCELLATION FORM ATTACHED TO THE PPA FOR AN EXPLANATION OF THIS RIGHT.
Installer and Owner acknowledge that they have read and agree to the provisions in this Installation Agreement.

DO NOT SIGN THIS CONTRACT IF THERE ARE ANY BLANK SPACES.

INSTALLER

Signature: _____

Name: _____

Date: _____

OWNER

Signature: _____

Name: _____

Date: _____