Attachment E-1

PON 2112 – Solar PV Program

Rev.12

ADDENDUM to the POWER PURCHASE AGREEMENT or LEASE

NEW YORK STATE REQUIRED PROVISIONS

All Power Purchase Agreements or Leases (Agreements) submitted in connection with an Application for Incentives under PON 2112 must include a fully executed copy of this Addendum to the Power Purchase Agreement or Lease ("Addendum"). The Contractor or Lessor under the principal Agreement to which this Addendum is attached is identified below as Contractor; the Customer/Lessee is identified below as "Customer." Once executed by Contractor and Customer this Addendum shall be incorporated into and shall become part of the Customer Agreement.

Attorney Consultation: This Agreement is a legally binding document; you may wish to consult with an attorney before signing.

Conflicting Terms: In the event of a conflict between the terms of the Agreement (including any and all attachments thereto and amendments thereof) and the terms of this Addendum, the terms of this Addendum shall control.

Incentives: Solar PV Program incentives are only available for the installation of new equipment and PV Systems that have not been installed (partially or completely) prior to NYSERDA approval of the Incentive Application. Incentives will not be provided directly to Customers but are paid to the Contractor, who must apply the entire approved amount to the Customer's cost via a corresponding reduction in Customer's monthly payments or PPA rate. Incentive Payment Request Form must be signed by the Installer and/or Contractor and Customer. The NYSERDA Solar PV incentive for this PV System is anticipated to be $_____.

Review of System Design: NYSERDA will review the design of the PV System considering issues including, but not limited to, system layout, orientation, shading, expected output, etc. NYSERDA approval of the Incentive Application is contingent on adherence to the proposed system design. Contractors must receive approval from NYSERDA for any material modification of the proposed system or its components, or the incentive may be revoked.

Losses: All potential system output losses (after all equipment loses are applied) associated with shading, system orientation, tilt angle, etc. may not exceed 20% of optimal system output to receive the full incentive. Such losses must be detailed in each application package using industry accepted shading and orientation tools, verifiable assumptions and calculations. Systems with losses greater than 20% of optimal output due to shading and orientation issues may be considered on a case-by-case basis. However, any available incentives for these systems will be prorated by output loss. In cases where trees or any other obstruction must be removed or moved in order to meet the program rules, incentive payments will not be made until the obstructions are removed and a new shading analysis and photos have been submitted and reviewed by NYSERDA. Any trees or obstructions must be clearly labeled in the site map.

Qualified Sites/Customers: Incentives are available for PV Systems at sites in New York State that are electricity distribution customers of Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, National Grid, Orange and Rockland Utilities, Inc. and Rochester Gas and Electric Corporation that contribute to the Renewable Portfolio Standard/System Benefits Charge (sometimes referred to as "RPS/SBC" as a line item on utility electric bills).

Warranty: At a minimum, the **Contractor** shall offer a production guarantee to the Customer for the initial term of this Agreement. This production guarantee will provide the customer with compensation if the system produces less than the guaranteed output as specified in the PPA or lease agreement. Guaranteed output may not allow cumulative degradation in electrical output of more than one percent per year from the original rated electrical output for

the initial term of this agreement. Under no circumstance will Customers be responsible for any labor and repair or replacement costs of defective components or systems over the initial term of this Agreement. Should the customer sell the residence at which this solar facility is located, the production guarantee is fully transferrable to a new lessee, consistent with the terms of the lease or PPA agreement.

RENEWABLE PORTFOLIO STANDARD (RPS) ATTRIBUTES: Orders issued by the NYS Public Service Commission provide that the RPS Program will support and promote an increase, to 30%, of the percentage of the energy consumed in NYS that comes from renewable sources. When assessing and reporting on progress towards that goal, or on the composition of the energy generated and/or consumed in NYS, NYSERDA and the NYS Department of Public Service (DPS) will include all electrical energy created by any project receiving funds through the NYS RPS Customer-Sited Tier Program, for the life of such projects, and the environmental attributes associated with such energy, whether metered or projected, as a part of any report, evaluation, or review of the RPS Program, whenever any such report, evaluation, or review may be conducted or issued, as renewable energy consumed in NYS. No party, including but not limited to owners, lessees/lessors, operators, and/or associated contractors shall agree to or enter any transaction that would or may be intended to result in the exportation or transmittal of any electrical energy created by any project receiving funds through the NYS RPS Customer-Sited Tier Program to any party or system outside of New York State.

Fair Market Value: Fair Market Value, with respect to any calculation of the price for which the Customer may be entitled to purchase the PV System, will be determined through a fair and equitable process. The contribution of the value of any environmental attributes or renewable energy credits to the Fair Market Value shall be determined after consideration of the reservation by NYSERDA and DPS of the right to include the energy and associated attributes generated by the PV System in any assessment or reporting, as outlined herein.

Data Monitoring and Reporting: **For a period of three years**, **the Installer/Contractor _____or Customer_____ [Please designate and initial]** must take readings measuring the energy generation of the PV System every six months. Although the Customer may be responsible for taking meter readings, all meter readings must be submitted directly into PowerClerk by the **Contractor every six months.**

Quality Control: For quality control purposes, all parties including the Customer must provide NYSERDA or its representative with reasonable access to the PV System for inspection purposes. Final incentive payment may be contingent on NYSERDA inspection of the installed PV System.

Publicity and Site Events: Contractor and Customers are required to collaborate with NYSERDA's Director of Communications should they prepare any press release or plan any news conference related to the PV System. NYSERDA is authorized to use PV System photographs in brochures, on its website, and in other print materials.

Tax Incentives: Customers are encouraged to consult the Internal Revenue Service (See www.irs.gov), the NYS Department of Taxation and Finance (See www.tax.ny.gov) and with an accountant/tax adviser for details on eligibility for the credit provided in the law, regardless of whether the Installer/Contractor has provided information regarding the expected tax benefits (real property, federal or state tax incentives, or sales and use tax exemptions).

Net Metering: Customers are encouraged to consult with their local utility regarding eligibility for net metering.

Cost Estimate/Total System Price: The Customer has relied upon the Installer or Contractor to include any and all costs associated with the complete installation of the proposed PV system in the Agreement. For purposes of this Addendum, "complete installation" may or may not include non-incidental site preparation, including but not limited to roof repair, structural work to the residence/site, or removal of trees and other obstructions; however the Contractor is required to disclose the scope of work and costs associated with any non-incidental site preparation prior to

execution of the Agreement. If additional costs are sought from the Customer, or for non-incidental site preparation are not disclosed to the customer prior to installation of the solar facility, the Customer may cancel this Agreement without penalty and the customer may seek a full refund of any deposit paid to the Contractor or costs the Customer incurred under this Agreement, less any reasonable site visit fees charged by the Contractor.

Incentive Estimate: If the Contractor does not submit a completed Incentive Application to NYSERDA, or if the Incentive Application (a) is not approved by NYSERDA or (b) if NYSERDA approves a lower incentive, and any of the aforementioned results in a higher cost to the Customer under the Agreement, then the Customer may terminate this Agreement without penalty and seek a full refund of any deposit paid to the Contractor or costs he or she incurred under this Agreement, less any reasonable site visit fees charged by the Contractor.

PV system completion/commissioning: The Contractor agrees to complete the installation of the PV system, and request all necessary inspections, within 210 days of NYSERDA's approval of the Incentive Application. Unless written approval of an extension has been issued by NYSERDA, the Contractor will be required to return any and all incentive payments to NYSERDA if this milestone has not been met.

Clipboard Audit: The Contractor agrees to complete a clip board audit consisting of two main components: an interview of the home/building owners to ascertain energy use habits and the age of the building, and an inspection of the building to identify potential energy efficiency measures, especially low and no cost measures that could reduce the electricity load of the building. This would include an inspection of the hard-wired lighting systems and free–standing light fixtures, appliance ages and whether they are ENERGY STAR, the presence of advanced power strips for consumer electronics, existence of "vampire loads" related to consumer electronics and battery chargers, use of programmable thermostats or timers for air conditioners, age and condition of the doors and windows, and inquiries to the owner regarding any recent installation of insulation. The Contractor will conclude the audit with a homeowner debriefing. The Contractor will leave a copy of the inspection form with the owner at the end of the inspection. The form will include a description of the home, recommendations of changes to reduce electric consumption, and easy fixes the homeowner can do. The Contractor will also leave a list of Home Performance Contractors that could install more complex energy efficiency measures, informational brochures informing the owner of the details of utility or NYSERDA energy efficiency programs available to home owner, and a brochure of low cost/no cost tips for reducing energy consumption. The inspection should last no more than 60 minutes. Customers will not be required to implement energy efficiency measures as a pre-requisite of receiving a PV incentive.

Non Residential Energy Assessment: If the site is non-residential, the Contractor will provide to Customer information on ENERGY STAR's Portfolio Manager Benchmarking Tool or other equivalent tool and, if requested by Customer, assist them to enter utility bill information into the Tool in order to produce an EUI (Energy use index) and, where applicable an Energy Star score. The Contractor will also provide informational brochures on NYSERDA and utility energy efficiency programs. Customers will not be required to benchmark or implement energy efficiency measures as a pre-requisite for receiving a PV incentive.

General Business Law: If this Agreement is deemed to be a Home Improvement Contract under the NYS General Business Law §770, et seq., Customer is entitled to various notices. A description and explanation of this law can be accessed at http://www.dec.ny.gov/lands/5341.html This Agreement may also be subject to the federal Consumer Leasing Act (15 USC 1667 et. seq). http://www.federalreserve.gov/boarddocs/supmanual/cch/leasing.pdf

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Consumer Information: Customers are encouraged to consult the New York State Office of the Attorney General web site for consumer information:
http://www.ag.ny.gov/bureaus/consumer_frauds/tips/home_improvements.html

The NYS Consumer Protection Board offers additional information with the following publications:
https://www.dos.ny.gov/consumerprotection/publications.html

Communication with Customer: Contractor and Customer agree that NYSERDA may, at NYSERDA's discretion, communicate by voice and/or by written format with any Customer with respect to any matter relevant to a proposed or installed PV System. Such communications may be in reply to an inquiry from a Customer or at NYSERDA's initiation.

Disclaimer: The Customer understands that neither NYSERDA nor the State of New York: (1) endorse any Contractor, Third Party Equipment Owner, (2) guaranty, warranty, or in any way represent or assume liability for any work proposed or carried out by a Contractor (3) endorses or recommends entry into this Agreement. Additionally, NYSERDA is not responsible for assuring that the design, engineering and construction of the project or installation of any solar electric generation system is proper or complies with any particular laws, regulations, codes, licensing, certification and permit requirements, or industry standards. NYSERDA does not make any representations of any kind regarding the results to be achieved by the solar generation systems or the adequacy or safety of such measures.

Statement of Acknowledgement: By signing, all parties acknowledge that they have read and understand the above information and requirements and agree to abide by them. NYSERDA will not accept an application from a Contractor if the date of the signed Agreement with the Customer is more than 30 days prior to submittal.

Customer: By signing below, the Customer agrees that the site contributes to the Renewable Portfolio Standard (RPS)/ System Benefits Charge (SBC) through a monthly electric utility bill.

Customer Signature_____

Print Name _____Date_____

Contractor Signature_____

Print Name_____Date _____

If executed by Installer, Installer and Contractor certify that Installer is authorized by the Contractor to do so.