

# ADDENDUM TO CUSTOMER AGREEMENT

## NY-Sun Incentive Program



Please check appropriate box below.

\_\_\_\_ This Agreement is related to a PV project receiving incentive funding under the NY-Sun Residential & Nonresidential Incentive Program

\_\_\_\_ This Agreement is related to a PV project receiving incentive funding under the NY-Sun Commercial & Industrial Incentive Program

**All Participating Contractors must incorporate this Addendum into the agreement between the Contractor and Customer (Agreement) for each PV project receiving incentives.**

**The following terms will apply to all NY-Sun supported PV projects under the Residential & Nonresidential Program or Commercial & Industrial Program:**

**Attorney Consultation:** The Agreement to which this Addendum is attached and made part 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 in any other contractual instrument between the Contractor and Customer and the terms of this Addendum, the terms of this Addendum shall control.

**Assumption of Responsibilities:** Should the Contractor or owner of the PV System, including any associated energy storage system installed under the NY-Sun Program, sell or transfer ownership of the PV System, including, if applicable, the associated energy storage system, during the term of the Agreement, the Contractor/owner agrees that it will alert Customer in advance of such transfer or sale, and that, during the duration of the term of the Agreement, either: (1) the Contractor will remain responsible to the Customer for all obligations and responsibilities stated herein, or (2) under the agreement of sale the buyer will assume all responsibilities to Customer stated herein, if applicable.

**Incentives:** Incentives are only available for the installation of new grid-connected PV Systems and energy storage systems that have not been installed (partially or completely) prior to the Project Application achieving a status of "Approved," as determined by NYSERDA. Incentives are reserved at the incentive level designated in the MW block in effect at the time of application submission. 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 Total System Cost or total payments. The Contractor is required to disclose the full amount of the NYSERDA incentive to the end-use customer. The Contractor is not permitted to collect the value of the incentive upfront and reimburse the customer upon completion of the project, or upon receipt of the NYSERDA incentive. Nonresidential projects may request a payment be made to another entity at time of application submission only. The Project Invoice will be submitted by the Contractor or Builder once the system has been installed and interconnected.

**Customer Agreement:** If the Agreement includes an energy storage system, such Agreement must contain a provision whereby Contractor describes how the Storage System will perform in the event of a power outage and how the Storage System will provide backup power. At a minimum, the Agreement shall include a statement that the Storage System will not power the customer's entire home in the event of a power outage and shall describe: (1) the percentage of charge the Storage System will draw from a paired PV System; (2) how many electrical circuits or appliances the Storage System can provide backup power for and at what amperages; (3) any reserve levels Contractor will establish for the Storage System;

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and (4) whether and how the Contractor may or will administer and operate the Storage System to optimize the customer's home energy production and consumption and/or for demand response or other utility-based programs.

**Inspection/Reporting/Commissioning:** For quality control purposes, all parties including the Customers must provide NYSERDA or its representative with reasonable access to the PV System, including any associated energy storage system installed under the NY-Sun Program, in order to conduct site inspections or remote monitoring services. Final incentive payment may be contingent on NYSERDA inspection of the installed PV System and/or energy storage system.

**Publicity and Site Events:** Customers and Contractors 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 and if applicable, the energy storage system. NYSERDA is authorized to use PV System and energy storage 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](http://www.irs.gov)), the NYS Department of Taxation and Finance (See [www.tax.ny.gov](http://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 Builder/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.

**Consumer Information:** New York consumers and customers are encouraged to consult the New York State Office of the Attorney General web site for consumer information: [www.ag.ny.gov](http://www.ag.ny.gov)

The NYS Consumer Protection Board offers additional information with the following publications: [www.dos.ny.gov/consumerprotection/publications.html](http://www.dos.ny.gov/consumerprotection/publications.html)

Customer authorizes NYSERDA to add Customer to the mailing lists and to share Customer's information with New York State government and other entities doing business on NYSERDA's behalf. Customer reserves the right to unsubscribe at any time.

**Communication with Customer:** Contractor and Customer agree that NYSERDA may, at NYSERDA's discretion, communicate by voice and/or written format with any PV System Customer with respect to any matter relevant to a proposed or installed PV System and if applicable, a proposed or installed energy storage 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; or (2) guarantee, warranty, or in any way represent or assume liability for any work proposed or carried out by a Contractor or Installer. Additionally, NYSERDA is not responsible for assuring that the design, engineering and construction of the project or installation of any solar electric generation system, including if applicable, any energy storage 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, including if applicable, any energy storage system, or the adequacy or safety of such measures.

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**Cost Estimate/Total System Price:** The Customer has relied upon the Contractor to include any and all costs associated with the complete installation of the proposed PV system, including if applicable, any energy storage system, in the Agreement. If additional costs are sought from the Customer, the Agreement may be cancelled without penalty and the customer may seek a full refund of any deposit paid to Contractor or costs the Customer incurred under the Agreement, less any reasonable site visit fees charged by the Contractor.

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

**Approved System Design:** NYSERDA may review the design of the PV System, including if applicable, any energy storage system, considering issues including, but not limited to, system layout, orientation, shading, expected output, etc. NYSERDA approval of the Project Application is contingent on adherence to the proposed system design. Contractors/Builders must receive approval from NYSERDA for any material modification of the proposed system or its components, or the incentive may be revoked.

**System Warranty for Purchase Agreements:** The Contractor shall offer a full, transferable warranty to the purchaser of the PV System installed under this Customer Purchase Agreement for a period of five (5) years after the Contractor has completed the installation and NYSERDA's final approval has been provided. This warranty covers all components of the generating system against breakdown or degradation in electrical output of more than 10% from the original rated electrical output. This warranty shall cover the full cost, including labor, repair, and replacement of defective components or systems. The contractor shall provide warranty coverage in a timely manner regardless of the level of support from the equipment manufacturer. Warranty service requests shall be responded to within 72 hours and repairs shall be completed within 30 days. Storage equipment must consist of commercial products carrying at least a 10-year manufacturer warranty. The warranty must cover the entire energy storage system including ancillary equipment and power electronics. The Contractor shall provide the customer with information on any additional or extended warranties that may be applicable.

**Production Warranty for PPA/Leases:** The Contractor shall offer a production guarantee to the Customer for the initial term of this Agreement, at a minimum. 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 1% per year from the original rated electrical output for the initial term of this agreement. Under no circumstance will the Customer 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 property at which the solar facility is located, the production guarantee is fully transferrable to a new lessee, consistent with the terms of the lease or PPA.

**The following term will apply ONLY to NY-Sun supported PV projects under the Commercial & Industrial Program:**

**Commercial & Industrial Energy Assessment:** The Contractor will provide building owners with information on benchmarking tools, such as ENERGY STAR's portfolio manager benchmarking tool or other equivalent tool. If requested by the building owner, the Contractor or Builder will help input utility bill

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information in the tool in order calculate an energy use index and, where applicable, an ENERGY STAR score. Customers will not be required to benchmark or implement energy efficiency upgrades as a pre-requisite for receiving the standard NY-Sun incentive.

**PV System Completion/Commissioning:** The Contractor agrees to complete the installation of the PV system, and request all necessary inspections, within 912 days of NYSERDA's approval of the Project 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 is not met.

### The following terms will apply ONLY to NY-Sun supported PV projects under the Residential & Nonresidential Program:

**System Losses:** All potential system output losses (after all equipment losses 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 a new shading analysis and photos, verifying that the obstruction(s) have been removed are reviewed and approved by NYSERDA. Any trees or obstructions must be clearly labeled in the site map.

**Green Jobs Green New York (GJGNY) Financing:** Should an eligible residential customer who chooses to access GJGNY financing for their PV system project be unable to proceed with installation of the PV system, due to either the system not meeting the Program's eligibility requirements, or the customer is denied low-interest financing through GJGNY, the customer may terminate the Agreement without penalty and seek a full refund of any deposit paid to /Contractor or costs he or she incurred under the 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 365 days of NYSERDA's approval of the Project 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.

**Residential Clipboard Energy Efficiency Assessment:** The Contractor agrees to complete a clipboard energy efficiency assessment consisting of two main components: an interview of the home owners to determine energy-use habits, and identify energy-saving opportunities, especially low- and no-cost measures that could reduce the electricity load of the residence. The Participating Contractor will review assessment results with the homeowner and provide the homeowner with a copy of the assessment report. Customers will not be required to implement energy efficiency upgrades as a pre-requisite to receiving the standard NY-Sun incentive.

**Nonresidential Energy Assessment:** The Contractor will provide building owners with information on benchmarking tools, such as ENERGY STAR's portfolio manager benchmarking tool or other equivalent tool. If requested by the building owner, the Contractor or Builder will help input utility bill information in the tool in order calculate an energy use index and, where applicable, an ENERGY STAR score. Customers will not be required to benchmark or implement energy efficiency upgrades as a pre-requisite for receiving

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the standard NY-Sun incentive .

**Affordable Solar Incentive – Contract Requirements:** Contracts for PPA/lease projects receiving the Affordable Solar additional incentive shall not contain price escalators over the life of the agreement, and all projects receiving this incentive shall provide a cost savings to the customer over the life of the agreement, as documented by the Affordable Solar Residential Project Screening Tool included in the incentive application.

Contracts for PPA/lease projects participating in the TPO Pilot must reflect that the following requirements are met:

- The project is financed through a fully prepaid lease or PPA, with no outstanding financial obligation to the customer beyond the GJGNY loan.
- The project must provide annual customer cost savings of at least 50% per kWh for the lifetime of the GJGNY loan, as documented in the GJGNY pro-forma tool submitted with the incentive application.
- TPO Pilot projects must not exceed a GJGNY loan size of \$6,000.

**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>

**Statement of Acknowledgement:** By signing, all parties acknowledge that they have read and understand all of the above information and requirements and agree to abide by them.

**Contractor:** By signing below, the Contractor confirms that there is a fully-executed Agreement to install the PV project, and if applicable, the energy storage system, that has been signed by both Contractor and Customer and that the costs and incentives stated on the NYSERDA approved application for incentive funding are complete and accurate. The Contractor is responsible for keeping this document on file. NYSERDA may request, at any time, that a signed copy of this addendum be provided. Contractor further attests that the customer signature appearing below is the true and genuine signature of the customer and that it was affixed to this document on the date indicated.

Print Customer Name \_\_\_\_\_

Customer Signature \_\_\_\_\_ Date \_\_\_\_\_

Contractor Company Name \_\_\_\_\_

Contractor Name (Print) \_\_\_\_\_

Contractor Signature \_\_\_\_\_ Date \_\_\_\_\_